



Daily Report

East Asia

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Australian Foreign Minister on French Tests

*BK2209114695 Hong Kong AFP in English
1111 GMT 22 Sep 95*

[FBIS Transcribed Text] SINGAPORE, Sept 22 (AFP)—Australia warned here Friday that France will lose more defense "contacts and contracts" because of renewed nuclear tests in the South Pacific, but ruled out raising the issue at the upcoming APEC summit.

Foreign Minister Gareth Evans told a news conference on the sidelines of a high-level meeting of Asian and European political and business leaders that Canberra will pursue "very strong diplomatic action" against France.

Shortly after he made the warning, France announced it would conduct a second, more powerful nuclear test in the South Pacific sometime within the next 10 days.

Jacques Baumel, vice president of the parliamentary defense committee, told AFP in Paris that the test should be "more powerful" than the first conducted on September 5 and was designed to test submarine launched nuclear warheads.

But in Singapore, Evans said the 18 member Asia Pacific Economic Cooperation (APEC) forum's November summit in Osaka, Japan was not the right venue because APEC was designed to be an economic grouping, not a political or security arena.

Evans said the nuclear question would be addressed in bilateral talks, but "around the table, at the (APEC) leaders' meeting, it won't be discussed."

APEC comprises Australia, Brunei, Canada, Chile, China, Hong Kong, Indonesia, Japan, South Korea, Malaysia, Mexico, New Zealand, Papua New Guinea, the Philippines, Singapore, Taiwan, Thailand and the United States.

Australia had used a regional security forum hosted in early August by the Association of Southeast Asian Nations (ASEAN) in Brunei to rally regional support against France, which found itself totally isolated at the gathering.

The anti-nuclear campaign, however, received a blow Friday when the International Court of Justice, based in The Hague, rejected New Zealand's complaint over the resumption of French nuclear testing.

Despite protests, France went ahead earlier this month with the first of several planned underground nuclear tests under Mururoa Atoll.

The environmental watchdog Greenpeace said Friday that a second test was being planned for next week.

Evans said there will be "significant defense-related action in terms of diminution of contacts and contracts in the defense area, but in particular action through international forums."

French contractor Dassault-Breguet was shut out of the bidding for a 370 million US dollar Australian defense contract in August in retaliation for its decision to conduct nuclear tests in the South Pacific.

Evans said Australia was working for a UN General Assembly resolution against the French tests, and planned to raise the issue at the next general conference of the International Atomic Energy Agency.

In Beijing Thursday, Australian Trade Minister Bob McMullan also expressed concern that China this year had conducted two nuclear tests in the Lop Nor desert in western Xinjiang Province.

"I expressed our concern about anybody conducting nuclear tests and urged China to commit itself to the Comprehensive Test Ban Treaty," he added. The treaty, according to a negotiation schedule, is set to be sealed in late 1996.

In Sydney, Australian unions said Friday they would continue to hamper uranium shipments to France despite warnings that Paris would cancel an export contract if supplies were threatened.

The union announcement followed a press report that French Ambassador Dominique Girard had threatened France's withdrawal from a uranium contract.

Girard told an Australian official that Paris would cancel contracts to buy uranium worth 72 million Australian dollars (54 million US) if union action threatened supplies to French power stations, The Sydney Morning Herald said.

The ambassador declined to comment on the report, which cited a leaked Australian foreign affairs cable detailing a meeting he had with an official on September 13.

EU Vice President Urges Enhanced Relations

*BK2409122595 Singapore THE STRAITS TIMES
in English 23 Sep 95 p 28*

[FBIS Transcribed Text] The European Union and ASEAN should upgrade their relationship, not just on the institutional front, but comprehensively, involving citizens, businessmen, researchers, and students, EU Vice President Manuel Marin said yesterday.

"The Asia-Europe Summit Meeting (ASEM) of spring 1991 will be a historical occasion enhancing our mutual understanding, but no amount of policy dialogue can

replace solid economic and cultural links," he told an audience of about 500 leading businessmen in his closing address.

He noted that the EU was already working on two significant linkage projects:

- A high-level cultural forum which would gather 30 Asian and 30 European intellectuals to discuss philosophy, religion, technological and cultural exchanges, and managerial approaches; and

- A pilot exchange programme for 1,000 young European and ASEAN managers.

"We can create the framework and provide the impetus, but the actual construction of a working partnership can only be based upon the efforts of our people," he said.

Mr. Marin said Europe had considerable experience in regional integration with its long and difficult process leading to 15 countries enjoying free movement of goods, services, capital, and people, and with a growing number of joint policies.

"More important is the fact that countries whose history was tormented by wars and antagonism have learned to discuss and decide issues in common," he continued, noting that the EU's approach seemed to owe a great deal to the Asian concept of consensus.

Mr. Marin pointed out that the EU was developing new partnerships with Latin America's Mercosur [South American Common Market] common market, 12 south Mediterranean countries, and working with the Middle Eastern countries in the spirit of open regionalism, and the time had come to further upgrade the existing EU-ASEAN dialogue.

"Even before your ASEAN Free Trade Area is complete, you should consider deepening your links with the EU in the same spirit," he said.

He said Europe hoped that ASEM would develop new initiatives in the link between Europe and Asia, and

that a preparatory meeting would be held in December to determine its frames of reference.

ASEM should help organise the EU's existing links with ASEAN, South Korea, China, and Japan, but he noted that it would not be possible to expect solutions to all the political and economic issues involved in only two days.

Singapore's Goh Closes Europe-East Asia Summit

BK2209141495 Singapore Radio Corporation of Singapore in English 1300 GMT 22 Sep 95

[FBIS Transcribed Text] Prime Minister Goh Chok Tong says there should be a true partnership between Europe and East Asia. He said economic engagement between the two regions should be seen as a game of sanity.

The prime minister made this point in his closing address at the fourth Europe-East Asia Economic Summit. Mr. Goh said the Europe-East Asia partnership is aimed at promoting economic cooperation and developing framework for dialogues and consultations. This is because currently, institutional links between Asia and Europe are practically nonexistent, apart from the ASEAN-EU dialogue.

He said next year's first Asia-Europe Summit is likely to explore how both regions can forge a new partnership for greater growth. Political leaders at the summit are likely to create ways for businessmen and intellectuals to meet and follow up on the issues that have been discussed. This includes trade liberalization and facilitation, investment growth, and economic cooperation.

Prime Minister Goh also revealed that at the second Asia-Europe Summit both Australia and New Zealand will be participating from Asia. He concluded, it is in the collective interest to build a strong bridge between Europe and Asia.

Japan

Air Cargo Talks With U.S. To Begin 26 Sep

OW2209105895 Tokyo KYODO in English
0832 GMT 22 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 22 KYODO — Japan and the United States will begin negotiations in Tokyo on Tuesday [26 September] to draw up a new framework for trans-Pacific air cargo services, with Tokyo proposing conditional liberalization of aviation markets, Transport Ministry officials said Friday.

The officials said Japan will oppose any further expansion of U.S. air cargo flights to Asia via Japan, on the grounds that it would widen the gap between the two countries.

Japan seeks equal rights for its airlines, arguing that the existing civil aviation pact between the two nations is unfair.

Washington wants Japan to open its aviation market wider to U.S. airlines in line with its "open sky" policy aimed at deregulating global air transport markets, the officials said.

The upcoming talks are based on an agreement reached at a ministerial meeting in Los Angeles in late July.

U.S. Transportation Secretary Federico Pena later ruled out the possibility of the two nations agreeing to revise the existing aviation pact.

Japanese Transport Minister Takeo Hiranume told a recent news conference that, provided Washington agrees to grant equal rights to Japanese airlines, Japan will propose that both nations liberalize their aviation markets.

The Transport Ministry officials said the U.S. has put forward a seven-point proposal, including Japan's removal of restrictions on the number of cargo flights and entry of newcomers into its air transport market.

The officials predicted rough sailing in the negotiations, since no agreement was reached at the ministerial session on the issue of U.S. airliners serving Asian destinations via Japan.

Tokyo To Reject EU Participation in Auto Talks

OW2509070095 Tokyo SANKEI SHIMBUN
in Japanese 24 Sep 95 Morning Edition p 3

[FBIS Translated Text] In the accord reached between Japan and the United States at the auto talks on the eve of the activation of sanctions against Japan, the two countries agreed to hold follow-up meetings once a year. It was learned on 23 September that the European Union (EU) has asked to participate in these regular follow-up meetings.

This issue may be taken up at the quadrilateral trade conference by trade ministers of Japan, the United States, Europe and Canada to be held in the UK in October. Japan will then be facing another difficult problem. It is extremely unusual for a third country to want to participate in bilateral follow-up meetings.

This request was formally made by Vice President Leon Brittan of the European Commission to Minister Ryutaro Hashimoto of international trade and industry during their meeting on 18 September, when Brittan was in Japan for a visit. Hashimoto replied at the meeting that "this will be extremely difficult."

The Ministry of International Trade and Industry [MITI] has decided to reject the EU request, and Deputy Vice Minister Yoshihiro Sakamoto, who is leaving for the United States on 24 September, will convey Japan's decision to Ira Shapiro, general counsel at the Office of the U.S. Trade Representative (USTR). MITI believes that the United States will also reject this request from the EU.

During the Japan-U.S. automobile negotiations, the EU contended that "the EU will file a case with the World Trade Organization (WTO) if Japan accepts U.S. numerical targets and appends the voluntary plans for the import of U.S.-made auto parts because European-made auto parts will be unjustly excluded." (according to Brittan)

Behind the EU's request is the serious concern that measures leading to the exclusion of European products may be taken at meetings between Japan and the United States. The EU wants to keep an eye on the two countries.

On the other hand, there are also those who believe that the request is "a maneuver to gain an advantage for Europe in future discussions between the EU and Japan on automobiles, and in the existing monitoring system on the export of Japanese cars." (according to MITI's International Trade Policy Bureau)

The Japan-U.S. auto talks reached basic agreement at cabinet-level negotiations between Hashimoto and USTR Mickey Kantor in Geneva in late June. Subsequently, a detailed agreement on measures to be taken by the two governments to increase the opportunities for foreign automobiles and auto parts to participate in the Japanese market, the relaxation of Japanese regulations on the replacement parts market, and so forth was signed on 23 August.

A total of 17 objective criteria were set up to monitor the implementation of the auto agreement, and it was agreed that regular follow-up meetings will be held annually up to the year 2000.

Takemura on 'Positive Approach' to SOFA Review
OW2409084795 *Naha OKINAWA TIMES in Japanese*
24 Sep 95 *Morning Edition p 1*

[FBIS Translated Text] Miyako — Masayoshi Takemura, finance minister and representative of Sakigake [Harbinger Party], visited the Miyako District Agricultural Cooperative to deliver a speech on the current situation, and held a news conference there on 23 September. Concerning the rape of a schoolgirl by three U.S. servicemen on mainland Okinawa, Minister Takemura indicated his understanding of local people's feelings, and stated: "As a Japanese, I feel that it is most regrettable that such an incident should have taken place even 50 years after the last war. I don't think the term 'regret' can adequately describe my feelings. Since even I myself have such feelings, I think Okinawan people must be inflamed with anger." Then, he added: "We must learn a lesson from this incident so as to assert Japan's sovereignty as well as rights of the Japanese people. While taking Okinawan residents' feelings into consideration, efforts must also be made to adopt improved measures to handle this case." Thus, he indicated his positive approach toward reviewing the Status of Forces Agreement [SOFA].

At the news conference, representative Takemura disclosed his understanding in the following way: "Similar incidents have repeatedly taken place in the past. I think that public opinion among the prefectural residents demands revision (of the SOFA accord) so that no such incidents are repeated. At least, this case should not be taken as an incident that has happened on military bases. How the case has been handled after its occurrence has been criticized severely."

Touching on the SOFA accord, Takemura stated: "In reviewing past cases, there are incidents that we find difficult to understand based on common sense of the Japanese people. For instance, there were cases in which suspects were sent back to the home country before they were taken into custody. Quite a few people now question the propriety of processes in applying the SOFA accord. Therefore, behind this doubt lie demands for improving procedures in applying the accord and for reviewing the accord itself."

As for Sakigake's plan to deal with this issue, representative Takemura stated: "It is 23 years now since Okinawa's reversion. It is no wonder that some people may still fail to regard Okinawa as a part of an independent country. As far as Sakigake is concerned, we will study this issue and discuss it with other coalition parties beginning next week." Touching on the Japan-U.S. Security Treaty, Takemura said: "Following the collapse of the Cold War structure, the Far East as a

whole has not attained its political or military stability. Since the accord is still needed in principle, we take the position of maintaining it." However, he repeated: "No such unreasonable incidents seriously hurting the feelings of local residents should be allowed to take place in Okinawa where military bases are located. We must learn a lesson from the recent case so as to prevent recurrence of similar incidents."

Expert-Level Talks on U.S. Forces Accord Slated

OW2509033795 *Tokyo KYODO in English*
0259 GMT 25 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 25 KYODO — Japan and the United States will hold an expert-level meeting Monday [25 September] to study legal aspects of the accord on the status of U.S. military personnel in Japan, the Foreign Ministry said.

Japan and the U.S. agreed to set up the panel last week after a storm of protest arose over the abduction and rape of a schoolgirl in Okinawa, in which three U.S. servicemen are the prime suspects.

The three are currently being held by the U.S. military authorities.

Japanese members of the panel, set up under the Japan-U.S. Joint Committee, will be officials from the Foreign Ministry, Justice Ministry, National Police Agency, Maritime Safety Agency and the Defense Facilities Administration Agency.

The United States will be represented by officials from the U.S. Embassy and the U.S. military forces in Japan.

The two sides are expected to review all aspects of the criminal jurisdiction procedures under the Status of Forces Agreement, including the turning over to the Japanese authorities of U.S. personnel suspected of crimes in Japan.

The accord allows U.S. military authorities to hold such suspects until Japanese prosecutors formally indict them.

Panel's Effectiveness Doubted

OW2309055695 *Tokyo ASAHI SHIMBUN*
in Japanese 22 Sep 95 *Morning Edition p 3*

[FBIS Translated Text] Calls for a review of the Japan-U.S. Status of Forces Agreement [SOFA] have surfaced as a result of the rape of a schoolgirl by American servicemen in Okinawa. It was decided on 21 September to set up a committee of experts to study ways to improve the SOFA, including jurisdiction issues, so moves are being made toward reviewing the situation in the meantime. However, amid growing demand for

a review of the agreement itself, it is not certain that improvement is possible under the existing framework. Calming down widespread "dissatisfaction with the unequal treaty" within the government and the ruling coalition parties remains a delicate matter.

In 21 September talks, Yohei Kono, deputy prime minister and foreign minister, and Walter Mondale, U.S. ambassador to Japan, reached an accord on setting up a panel of experts, approved the same day by the Japan-U.S. Joint Committee [JUJC]. However, as for the organization and coordination of the panel, "further consultations will be held," as stated by a source at the SOFA division under the Ministry of Foreign Affairs [MOFA]. Substantial consultations are not likely to start until after October at the earliest.

Since "a subcommittee on criminal jurisdiction procedures" was originally set up under the JUJC, the recent decision to set up a panel of experts can be taken as "merely a superficial measure," according to a senior MOFA official.

However, quite a few MOFA officials are doubtful about measures the panel can take to improve the situation. As for holding suspects in Japanese custody, the prevailing view is that "since the detention issue is clearly stipulated in the SOFA, it will be extremely difficult to change it so that suspects can be handed over to the Japanese side before indictment."

The question is whether it is possible to quiet demands for review by leaving the SOFA intact. At a news conference the afternoon of 21 September, Chief Cabinet Secretary Koken Nosaka stated, "After taking steps to improve the application of the existing agreement, there will be a complete and thorough review." Thus he indicated that the SOFA itself should be reviewed. However, Foreign Minister Kono once stated that "revision of the accord should not be taken lightly." So a difference of opinion between Nosaka and Kono has surfaced, and it may cause coordination disputes within the government.

Tokyo May Shelve SOFA Revision

OW2409055195 Tokyo NIHON KEIZAI SHIMBUN
in Japanese 23 Sep 95 Morning Edition p 2

[FBIS Translated Text] The rape of an Okinawan schoolgirl by U.S. servicemen has sparked calls for revising the Japan-U.S. Status-of-Forces Agreement [SOFA]. However, the recent remarks by U.S. President Bill Clinton that "the United States deeply regrets the incident" appear to have calmed this call. The President's remarks were welcomed by Prime Minister Tomiichi Murayama, Chief Cabinet Secretary Koken Nosaka, and other government officials, who all said:

"Washington is dealing with the incident with sincerity," (according to a top Foreign Ministry official). In view of this and the fact that Tokyo and Washington have agreed to set up a panel of legal experts under the Japan-U.S. Joint Committee "to study ways to improve criminal jurisdiction procedures of the existing SOFA," the issue of revising the SOFA is likely to be shelved.

The government decided to patch things up by seeking ways to improve the criminal jurisdiction procedures because the United States has clarified its stand that "the revision of the agreement is unnecessary," (as stated by U.S. Ambassador to Japan Walter Mondale), and because it has concluded that if the government actually takes action on the revision, "this will have a bad influence on Japan-U.S. security arrangements and the entire relationship between the two countries." Immediately after the two sides agreed to establish the panel, President Clinton apologized for the rape case and expressed U.S. readiness to discuss criminal jurisdiction procedures with Japan. Following this, the prevailing view within the government has been that discussing the revision of SOFA should be "postponed."

However, there is still a voice within the government and ruling parties calling for revising the SOFA itself. Depending on the results of the panel's discussions, the question of revising the agreement may come to the fore again.

Eto: Status Accord Not 'Main Issue' in Talks

OW2509075695 Tokyo KYODO in English
0722 GMT 25 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 25 KYODO — Foreign Minister Yohei Kono and Defense Agency Director General Seishiro Eto agreed Monday [26 September] not to treat a potential revision of an accord on the status of U.S. military personnel in Japan as a main issue at ministerial talks with their U.S. counterparts in New York on Wednesday.

But the two agreed at a meeting in Tokyo that the status agreement should be revised with regard to its operational aspects in order to maintain the Japan-U.S. mutual security arrangements, officials said.

The two cabinet ministers also agreed that an expert-level panel due to study legal aspects of the accord should proceed, the officials said.

Japan and the United States agreed to set up the panel last week after a storm of protests over the alleged abduction and rape of a schoolgirl in Okinawa earlier this month, in which three U.S. servicemen are the prime suspects.

The three are currently being held by U.S. military authorities.

Eto told reporters after the meeting with Kono that because the mutual security treaty involves the defense of Japan by the U.S., he does not want the U.S. to misunderstand that Japan wants to change the agreement without referring to this issue.

The New York meeting involves Kono and Eto from Japan, and Secretary of State Warren Christopher and Secretary of Defense William Perry from the U.S.

Eto also said he will use the so-called "two-plus-two" meeting to press for measures to ensure there is no repeat of such a rape incident.

Japanese members of the panel to study the accord will be officials from the foreign ministry, justice ministry, national police agency, maritime safety agency and the defense facilities administration agency.

The U.S. will be represented by officials from the U.S. Embassy and the U.S. military forces in Japan.

The two countries are expected to review all aspects of criminal jurisdiction procedures under the status of forces agreement, including the turning over to Japanese authorities of U.S. personnel suspected of crimes in Japan.

The accord allows U.S. military authorities to maintain custody of such suspects until Japanese prosecutors formally indict them.

Editorial on Strengthening U.S. Alliance

*OW2309121395 Tokyo YOMIURI SHIMBUN
in Japanese 22 Sep 95 Morning Edition p 3*

[Editorial: "Strengthening of Japan-U.S. Alliance and U.S. Servicemen Crimes on Okinawa"]

[FBIS Translated Text] The reconfirmation of the significance of the Japan-U.S. Security Treaty is currently underway. On 27 September, the Japan-U.S. consultations (two-plus-two meeting) on the Japan-U.S. Security Treaty issue between cabinet members in charge of defense and foreign affairs will open in New York. In connection with U.S. President Bill Clinton's visit to Japan, it is reported that a joint Japan-U.S. statement on security will be announced in November.

It has been nearly four years since the Cold War's conclusion and collapse of the former Soviet Union. However, apprehensions concerning various issues still exist in the Asia-Pacific region. For example, there are issues concerning the expansion of regional disputes, outflow of refugees, and drugs or terrorism that have crossed national boundaries. It has been strongly demanded that

both Japan and the United States join forces in dealing with these threats and apprehensions.

Last week, U.S. Secretary of Defense William Perry emphasized that even after the Cold War's conclusion, Japan-U.S. Security Treaty continues to be the keystone of security in the Asia-Pacific region, and Japan-U.S. Security Treaty is indispensable in maintaining not only political stability but also sound economic development.

Moreover, regarding the joint Japan-U.S. statement on security to be announced in November, Secretary Perry noted that the following would be set forth in the document: measures for further strengthening closer security cooperation between Japan and the United States; expanding contributions to regional security; and promoting mutual support for efforts to ensure security on a global scale.

We welcome Secretary Perry's remarks reconfirming that it is still necessary for the U.S. Forces to be present in the Asia-Pacific region for the purpose of dealing with various factors that have caused instability in such regions as the Korean peninsula.

At this very juncture, an incident that should have never taken place — the rape of a schoolgirl by three American servicemen — was reported on Okinawa, where the U.S. Forces Japan facilities are concentrated. As a result, voices demanding the revision of the Status of Forces Agreement [SOFA] have been aroused throughout Japan. These servicemen are currently under examination by the Japanese investigative authorities. However, on the basis of the SOFA accord, they will not be turned over to the Japanese side until they are indicted by the Japanese authorities.

On 21 September, Foreign Minister Yohei Kono held talks concerning this issue with U.S. Ambassador to Japan Walter Mondale, and they agreed that it is not necessary to review the SOFA accord at this moment. During this meeting, Ambassador Mondale apologized for the incident and pledged full cooperation by promising to bring the suspects anywhere at any time as requested by the Japanese authorities.

Following the meeting, the Japan-U.S. Joint Committee held a session and decided that in connection with incidents and accidents involving U.S. servicemen, a working group of experts will be organized to study ways for improving the SOFA's application.

It is most practical that measures will be taken to improve the SOFA's application in handling the recent case. It is hoped that the U.S. authorities will take flexible measures as promised. At the same time, utmost efforts should be made to prevent the recurrence of similar incidents. To promote smooth operation

on military bases, what is indispensable is to win understanding among local residents. As one of the long- or medium-term tasks, it is desirable to study the possibility of reviewing the SOFA. However, the issue should be handled with a presence of mind and from the standpoint of strengthening the Japan-U.S. alliance.

Some quarters in the United States have voiced that since the common enemy of Japan and the United States in the Cold War era has been eliminated, U.S. Forces should be withdrawn from the Asia-Pacific region. Moreover, it has been argued that Japan-U.S. Security Treaty should be abolished.

We cannot support such opinions. The withdrawal of U.S. Forces may intensify tensions in the region and may also result in regional instability. At the same time, it may bring about adverse effects on the economic interests of the United States.

When peace and stability in the Asia-Pacific region are taken into consideration, it can be said that no other system can actually take the place of the Japan-U.S. security arrangements. There is no other practical alternative but to strengthen the Japan-U.S. alliance.

Kono Leaves for Meeting With Perry, Christopher

OW2509100795 Tokyo KYODO in English
0859 GMT 25 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 25 KYODO — Foreign Minister Yohei Kono left for New York on Monday evening [25 September] for a four-day visit to attend a UN General Assembly session and the Japan-U.S. Cabinet-level security dialogue.

Kono will deliver a speech at the United Nations on Tuesday and participate in the Japan-U.S. Security dialogue known as "two-plus-two" meeting on Wednesday.

He will also hold separate talks with U.S. Secretary of State Warren Christopher, Chinese Foreign Minister Qian Qichen, French Foreign Minister Herve de Charette, and the foreign ministers of Latin American and African countries.

The so-called "two-plus-two" meeting will bring together Kono, defense agency chief Seishiro Eto, Christopher and Secretary of Defense William Perry to discuss regional affairs, ways to successfully carry out U.S. President Bill Clinton's trip to Japan in November and reviewing bilateral security problems.

The Japanese ministers are also under pressure to discuss the recent controversy over the alleged abduction and rape of a Japanese schoolgirl by U.S. military personnel in Okinawa.

The Japanese and U.S. leaders will also sign a new treaty defining Japan's financial support for U.S. bases in Japan.

Tokyo Not To Name Countries in UN Nuclear Ban

OW2209150895 Tokyo KYODO in English
1144 GMT 22 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 22 KYODO — Japan will not name China and France in a planned UN resolution calling for an end to nuclear tests, a high-ranking Foreign Ministry official said Friday [22 September].

Japan has decided not to name those countries to win as much support as possible from UN members for the resolution and to limit the number of countries opposing or abstaining from voting for it, the official said.

The official, who spoke on condition of anonymity, said Japan is currently consulting many countries on the draft resolution and is seeking partners to jointly submit it to the UN General Assembly in mid-October.

The resolution will focus on calling for an end to nuclear testings instead of urging an early conclusion of negotiations on the comprehensive test ban treaty, he said.

China conducted two nuclear tests this year, while France, defying widespread protest, held the first of a series of planned tests earlier this month and aims to conduct six or eight more before next May.

Kono Repeats Call for End to French Testing

OW2209110795 Tokyo KYODO in English
1041 GMT 22 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 22 KYODO — Foreign Minister Yohei Kono on Friday [22 September] repeated Japan's call for France to stop conducting nuclear tests but said the two countries should make efforts to avoid having bilateral ties negatively affected by the nuclear problem, a Foreign Ministry official said.

In a meeting at the ministry, Kono told French Ambassador to Japan Jean-Bernard Ouvrieu that Japan is against all forms of nuclear testing by any country and that it wants France to refrain from conducting further tests, the official said.

Kono was quoted as saying he would like to reiterate Japan's position when he meets French Foreign Minister Herve de Charette on Sept. 26 in New York, where they will both attend the UN General Assembly.

Earlier this month, France, defying worldwide protests, conducted the first of a series of six or eight nuclear tests in the South Pacific scheduled to last through May.

Japan sent its special envoy, Nobuo Matsunaga, to Paris last week to protest the French nuclear testing. Matsunaga met de Charette and French President Jacques Chirac to convey Japan's strong regret.

Ties between Japan and France became shaky after Japanese Finance Minister Masayoshi Takemura, head of New Party Sakigake [Harbinger], participated in a rally in Tahiti to personally protest the French nuclear testing.

In Friday's meeting, Kono told Ouvrieu that the dispute over the nuclear testing should not negatively influence Franco-Japanese ties and that it is necessary for the two sides to make efforts to ensure that the ties steadily develop, according to the official.

Kono suggested that the two sides need to promote cultural exchanges, particularly at a time when the two countries are facing hard times politically, and the French envoy agreed, the official said.

Ouvrieu, who returned from Paris earlier this week after ending "consultations" with the home government, repeated the French position that it will go ahead with its plan to conduct the tests through May although, he said, France understands the Japanese people's sensitivity toward nuclear weapons.

But the envoy was quoted as telling Kono it is necessary for the two countries to protect the bottom line in the bilateral relationship, which is to maintain and develop the ties.

At the outset of the 30-minute talks, Ouvrieu told Kono he is glad the "difficult times" between the two countries are finally passing.

"I also wanted to tell you that I sincerely hope the Franco-Japanese ties, which have traditionally been good, will continue to develop," he said through an interpreter.

Yeltsin: Not To Rush on Territorial Dispute

*OW2509121895 Tokyo KYODO in English
1129 GMT 25 Sep 95*

[FBIS Transcribed Text] Tokyo, Sept. 25 KYODO — Russian President Boris Yeltsin, in a message to Prime Minister Tomiichi Murayama, urged Japan on Monday [25 September] not to rush in trying to solve the long-standing territorial row with Russia, Foreign Ministry officials said.

The message was delivered verbally by Russian ambassador to Japan Lyudvig Chizhov to Kazuyoshi Urabe, director general of the Foreign Ministry's European and Oceanian Affairs Bureau.

It said Moscow is determined to expand cooperation with Japan in all fields, based on the Tokyo declaration signed between the two nations in 1993.

But it urged Japan not to be hasty in solving the territorial row involving the four islands off Japan's northernmost main island of Hokkaido that the former Soviet Union seized at the end of World War II.

"Various difficult problems that exist between the two countries should be solved calmly, without haste, by looking at the reality, and taking into consideration the interests of the people of both countries," Yeltsin's message said.

The Russian president's message was in response to Murayama's message sent earlier this month, the officials said.

Murayama had called on Yeltsin to resolve the territorial dispute as 50 years have passed since the end of World War II and since it is time for the two countries to overcome this "negative inheritance from the past."

Yeltsin agreed in the message that the 50th anniversary year is an important time to think about the future.

He also expressed satisfaction with the "gradual development" of Russo-Japan ties and called for maintaining and further encouraging such positive moves, according to the officials.

Yeltsin visited Japan in October 1993 and signed the Tokyo declaration with then Prime Minister Morihiro Hosokawa.

The declaration called for resolving the dispute over the islands based on law and justice.

But Tokyo and Moscow have been unable to make any specific progress since then.

ROK Premier Stresses 'Close Contact' for Peace

*OW2309063195 Tokyo KYODO in English
0501 GMT 23 Sep 95*

[FBIS Transcribed Text] Seoul, Sept. 23 KYODO — Prime Minister Yi Hong-ku warned Japan in a meeting Saturday [23 September] with Defense Agency chief Seishiro Eto against playing a prominent military role in the North Asian sphere, officials said.

The officials said Yi stressed the need for top South Korean and Japanese defense officials to be in close contact for peace and stability in North Asia.

Yi said such close cooperation gains in importance if the nuclear agreement between the United States and North Korea is not fully implemented, according to the officials.

Pyongyang has agreed to freeze its nuclear program in return for receiving two light-water reactors from an international consortium — the Korean Peninsula Energy Development Organization (KEDO).

Eto assured the South Korean premier of Japan's longstanding policy of honoring the war-renouncing constitution, maintaining a nonnuclear policy and not becoming a military power, the officials told reporters.

Eto, the first Japanese Defense Agency chief to visit South Korea since 1990, also conveyed Tokyo's wish that South Korea take a leadership role in peacefully uniting with the North.

On Friday, Eto met South Korean Defense Minister Yi Yang-ho and agreed to promote bilateral cooperation on defense matters, including the dispatch of a Japanese training fleet.

Eto is visiting Seoul in preparation for his talks in New York next week with U.S. Secretary of Defense William Perry and Secretary of State Warren Christopher on Asian security issues, including North Korea's nuclear program.

Bilateral Defense Cooperation Agreed With Seoul

*OW2309010295 Tokyo KYODO in English
1513 GMT 22 Sep 95*

[FBIS Transcribed Text] Seoul, Sept. 22 KYODO — The Japanese and South Korean defense chiefs agreed Friday [22 September] to promote bilateral cooperation on defense matters, including the dispatch of a Japanese training fleet, Japanese officials said.

Japanese Defense Agency Director General Seishiro Eto and South Korean National Defense Minister Yi Yang-ho reached the agreement at a meeting in Seoul.

Yi expressed the view that Eto's visit to South Korea will contribute to bilateral military cooperation and exchange, while Eto said such exchange will help stabilize Northeast Asia.

Eto revealed that Japan's Maritime Self-Defense Force will dispatch its training fleet to South Korea next fall for the first time.

Yi also accepted Eto's invitation to visit Japan, the officials said.

Defense cooperation between Tokyo and Seoul has been restricted to a limited exchange of personnel because of long-standing mistrust stemming from Japan's colonial rule over the Korean peninsula from 1910 to 1945.

But following Friday's meeting between Eto and Yi, the two countries are likely to promote exchanges in the equipment field, such as information on weapons.

The two defense chiefs also shared the view that there still cannot be excessive optimism about North Korea's suspected nuclear arms development, Japanese officials said.

Pyongyang has agreed to freeze its nuclear program in return for receiving modern reactors from an international consortium — the Korean Peninsula Energy Development Organization (KEDO).

In discussing bilateral defense cooperation, Yi stressed the importance of the United States being at the center of any security alliance between the two nations.

Eto said Japan and South Korea have common concerns in terms of security, such as the North Korean nuclear problem and the Asia-Pacific security framework following the end of the Cold War.

Speaking of the multinational security framework in Northeast Asia, Eto expressed his hope that nations in the region will promote dialogue.

But Yi showed a rather cautious stance toward the issue, saying that dialogue should be promoted gradually because of instability caused by military buildup among the nations concerned.

As for the North Korean situation, Eto pointed out that it is unnatural that the posts of state president and general secretary of the Workers Party of Korea have remained vacant for more than one year since the death of North Korean leader Kim Il-song.

Yi stressed there is a possibility that North Korea might resort to waging war in order to preserve its communist regime, while agreeing with Eto that there is political instability in the north.

The Japanese defense chief's visit to South Korea is the first since 1990. On Saturday, Eto will call at the truce village of Panmunjom.

'Source' on Development of P-3C Replacement

*OW2509100895 Tokyo NIHON KEIZAI SHIMBUN
in Japanese 24 Sep 95 Morning Edition p 1*

[By correspondent Tetsuro Takasaka]

[FBIS Translated Text] Seoul, 23 Sep — On 23 September, a source accompanying Defense Agency [DA] Director General Seisiro Eto during his visit to Seoul, disclosed that the DA will start developing independently "multi-purpose sea patrol planes" capable of carrying out full-fledged sea patrol missions to replace the P-3C anti-submarine warfare planes that are presently operated by the Maritime Self-Defense Force [MSDF]. The DA's Technology Research Headquarters will work on developing the multi-purpose sea patrol

planes beginning in 1997 at the earliest, with the aim of completing development by the turn of the century. The new sea patrol planes will have the function of accurately detecting even small-type ships cruising the sea through the use of state-of-the art radar. The DA plans to develop the multi-purpose sea patrol aircraft to prepare for a potential influx of refugees from the Korean peninsula and the PRC. The DA intends to develop them independently. The United States is expected to ask Japan for the joint development of those planes and the purchase of U.S.-built models. Hence, the DA's plan to develop the multi-purpose sea patrol planes is likely to stir controversy.

Until now, the MSDF's sea patrol planes have been assigned the task of finding and attacking enemy submarines in the event of emergency. Kawasaki Heavy Industries has built P-3C anti-submarine warfare planes using fuselages supplied by Lockheed Corporation of the United States. The MSDF began deploying them to its units in 1978 and a total of 96 P-3C anti-submarine warfare planes are in operation.

The Russian Pacific Fleet has made no brisk moves since the Cold War ended. It has been pointed out that 1) a large number of refugees could rush to Japan following a conflict on the Korean peninsula and domestic turmoil in the PRC and 2) the smuggling of guns and narcotics and piracy are rampant in waters off Japan. The function of sea patrol planes is shifting from anti-submarine warfare to sea patrol.

For this reason, the P-3C anti-submarine warfare planes are equipped with sound detection gear for searching for submarines, while the multi-purpose sea patrol planes will be equipped with state-of-the-art radar with the function of accurately distinguishing the movement of ships cruising the sea, (according to a senior DA official). China has introduced the Kilo-class new-type submarines from Russia and this has led the DA to decide to continually maintain the MSDF's anti-submarine warfare function in the future.

Poll Shows Majority Pessimistic About Economy

*OW2409053995 Tokyo KYODO in English
0420 GMT 24 Sep 95*

[FBIS Transcribed Text] Tokyo, Sept. 24 KYODO — Seventy-six percent of Japanese citizens responding to a survey feel the economy will worsen or remain in the doldrums over the coming 12 months, the TOKYO SHIMBUN newspaper reported Sunday [24 September] quoting a KYODO NEWS SERVICE survey.

The survey — conducted Sept. 9 and 10 — covered a total of 3,000 citizens selected at random across the nation, of whom 1,965 or 65.5 percent responded.

Of those who voiced pessimism over economic prospects, 45 percent attributed their view to the "instability" of the government which they feel has failed to come up with effective measures to revive the moribund economy, the survey found.

Other major reasons cited by pollees as the basis for their pessimism included dwindling corporate earnings and increasing unemployment, combined with sagging pay and the high yen-induced hollowing-out of the manufacturing industry.

Asked whether they feel the economy had improved from two years earlier, 88 percent said it has receded or remained at a standstill.

Breaking down the figure, 23 percent said the economy has worsened, 32 percent said the economy has worsened somewhat, and 33 percent said it is at a standstill.

Asked why they feel that way, 56 percent pointed to floundering asset prices or lower interest rates on their deposits, while 53 percent cited a reduction in their workloads and overtime.

These findings, analysts said, imply that consumer confidence is overshadowed by the ongoing asset deflation triggered by the bursting of the asset-inflated "bubble" economy of the late 1980s.

The collapse of the bubble has wiped out a large portion of the value of such assets as land and stocks.

There were some pollees who said they believe the economy has improved from two years earlier. They cited lower prices that have increased the purchasing power of their incomes.

Asked what stimulus measures they want the government to adopt, 44 percent asked for an income tax cut, 22 percent for a sharp increase in the amount of public works spending, and 21 percent for deregulation.

An income tax cut was not mentioned in the 14.2 trillion yen package of stimulative and deregulatory measures released Wednesday by the government. Past income tax cuts were seen as bolstering consumer confidence by giving leeway to family budgets.

Asked whether they would back lower taxation on land, 69 percent said they would, while 22 percent said they would not.

As for the "price destruction" phenomenon that has forced Japanese makers and retailers to lower prices in the face of cheaper imports stemming from the higher yen, 57 percent said they think it a positive development.

They cited an increase in their inflation-adjusted real incomes and a boost in competitiveness of business corporations as a result of lower prices of imported materials from which they manufacture goods.

However, 39 percent said they are concerned about the negative impact of the same phenomenon, as it squeezes the earnings of companies which are forced to cut prices.

Consumers Cautious About Price Decreases

OW2409053295 Tokyo KYODO in English
0414 GMT 24 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 24 KYODO — Although a majority of surveyed Japanese consumers welcome the recent "destruction of prices," as much as 39 percent consider plunging prices "unfavorable" or "somewhat unfavorable," the TOKYO SHIMBUN newspaper reported Sunday [24 September] quoting a KYODO NEWS SERVICE survey.

The survey was conducted on 3,000 consumers Sept. 9 and 10 with responses from 1,965, or 65.5 percent.

It found that 57 percent of the respondents consider the price destruction "favorable" or "somewhat favorable." As reasons for their reaction, 42 percent said lower prices increase their real income while 39 percent cited the improvement of Japanese companies' international competitiveness.

Of those who replied to the contrary, 37 percent said the price-busting acts as a drag on Japan's economic recovery. The reason was mentioned by 47 percent of the male respondents in their 40s and 45 percent of those in their 30s.

With regard to supermarkets' steep cuts in imported food and beer, 28 percent of respondents seeing unfavorable effects of the price destruction said smaller retailers will be adversely affected.

Among other reasons for reserved reaction to steep price falls, 24 percent said they will curb wages or increase unemployment.

Respondents in favor of the price destruction were divided by age into 73 percent in their 20s, 67 percent in their 30s and 49 percent in their 60s and older.

The survey also found that 65 percent of respondents in big cities welcomed the price destruction. The ratio dropped to 54 percent for smaller cities and 50 percent for rural areas.

Land Tax Reform as Economic Measures Surveyed

OW2409051295 Tokyo KYODO in English
0410 GMT 24 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 24 KYODO — Sixty-nine percent of Japanese responding to a survey support land tax reforms as part of economic stimulation measures, the TOKYO SHIMBUN newspaper reported Sunday [24 September] quoting a KYODO NEWS SERVICE survey.

The survey showed that 22 percent of the respondents opposed the proposed reforms, including a freeze on the land value tax and tax breaks for facilitating land transactions.

It was based on questionnaires on land tax reforms sent Sept. 9-10 to 3,000 people, of whom 1,965 responded.

Analysts said the survey results reflect strong expectations among the public for a further fall in land prices, especially in urban areas, where prices still are 50 percent higher than in 1983.

At present, there is a standoff within the three ruling coalition parties over the proposed reforms.

Some leaders of the Liberal Democratic Party (LDP), the dominant force in the coalition, have expressed support for the measures, while the Social Democratic Party and New Party Sakigake [Harbinger] remain cautious.

The Finance Ministry, which advocates well-balanced taxation, also has expressed caution over the reforms.

The business community supports the reforms, contending the present land tax system has eroded corporate earnings and discouraged companies from selling their idle land, dampening supplies of residential land.

BOJ Chief: Low Interest Rates To Boost Dollar

OW2509042095 Tokyo KYODO in English
0355 GMT 25 Sep 95

[FBIS Transcribed Text] Nagoya, Sept. 25 KYODO — The process of "orderly reversal" of the dollar's excessive weakness in currency markets will pick up further momentum thanks to Japan's "unprecedented low interest rates," Bank of Japan (BOJ) governor Yasuo Matsushita said Monday [25 September].

Speaking at a news conference in Nagoya, Matsushita said the yen-dollar exchange rate is still in the "phase of orderly reversal" as agreed on during the April meeting of top financial officials from the Group of Seven (G-7) countries.

"By making the current unprecedented low interest rates a centerpiece of Japan's economic policy, currency markets and stock prices will receive favorable effects," Matsushita said.

He was referring to the recent cut to a record low of 0.5 percent per annum of the official discount rate and consequent dips in short-term money market rates.

Matsushita also said the Bank of Japan is prepared to conduct further dollar-supporting market intervention jointly with other G-7 countries.

"The BOJ will keep close consultations with central banks of other key industrial countries to make the process of the orderly reversal more certain and to have the yen-dollar rate better reflect economic fundamentals," he said.

Matsushita reiterated the need for the Japanese Government to step up the drive toward deregulation, apparently referring to the new economic package's failure to fully address deregulatory issues.

While appreciating the over 14 trillion yen stimulus package as "appropriate" to revive the sagging economy, Matsushita said, "drastic deregulatory measures are necessary."

The governor indicated a desire that the Japanese people, in the era of very low interest rates, would expand consumption rather than save their money.

"Savings and consumption should be well balanced," he said.

The governor also said the massive public investment earmarked under the new package unveiled last Wednesday should be distributed in an effective manner.

Matsushita dismissed growing concern over the possible further "hollowing out" of Japanese manufacturing as companies shift production facilities abroad to avert the negative effects of the strong yen.

"Industrial restructuring is an inevitable process the Japanese economy is undergoing," he said.

Editorial on Implementation of Economic Package

*OW2409113495 Tokyo NIHON KEIZAI SHIMBUN
in Japanese 21 Sep 95 Morning Edition p 2*

[Editorial: "The Government Should Steadily Implement the Economic Stimulus Package"]

[FBIS Translated Text] According to the government, the Japanese economy hit bottom in October, 1993, and then began heading into a recovery. It is very ironic that the government had to adopt the "largest-

ever" economic stimulus package almost two years after it declared that the economy was heading towards recovery.

This indicates that the government was too optimistic about the economic trend, and that other stimulus packages adopted before were insufficient in terms of measures to boost the economy and promote its structural reform.

Of course, after the government predicted economic recovery, unexpected things happened such as the yen's appreciation against the dollar and the great Hanshin earthquake. But we still feel the government was too optimistic regarding the state of the economy. This optimistic view is to blame for the slow implementation of public works projects since the latter half of 1994, which has sometimes hindered economic recovery instead of boosting the economy.

It is important to steadily carry out public works projects worth about 13 trillion yen contained in the recent stimulus package. To do so is all the more important because in the package, the government promises "drastic steps to increase domestic demand," alleviate public anxiety over the economy's unclear future, and buoy consumer and business confidence.

To allay anxiety over the economy's future, it is also necessary for the government to have confidence in its mid- and long-term economic outlooks, structural reform steps, and other policies. The recent stimulus package should be rated highly because it promises the expansion of domestic demand, settlement of problems (such as those concerning the disposal of bad loans held by financial institutions and the effective use of land), and structural reform of the economy.

The package proposes land purchases by central and local governments for future public use and loans to small- and medium-sized businesses as concrete measures to solve economic problems. However, concerning the urgent issue of disposing of financial institutions' nonperforming loans, it merely says that measures to solve the problem will be worked out by the end of the year. As for the economy's structural reform, the package is unclear about how the government will carry it out. The government should urgently decide on the details of the reform plan.

The recent package is designed not only for a conventional, cyclical business adjustment, but also for the needed adjustment following the bursting of the bubble economy and the maturing of the economy upon completion of the process of catching up (with industrially advanced nations). Therefore, measures included in the

package should be more than conventional ones aimed at merely increasing demand.

In this regard, the package is worthy of attention because, as part of the measures to expand domestic demand, it contains funds to promote projects for science and technology and information and telecommunications, improve educational and social welfare facilities, and better research institutions. But primarily, the government should include this type of funds in the initial budget, not in an emergency pump-priming package, so that it can clarify in the budget its policy of allocating resources in accordance with the needs of the new era. Nevertheless, because the government hopes to achieve the economy's structural reform through the recent stimulus package, it should steadily implement it without fail.

The yen's excessive appreciation against the dollar has been adjusted quickly, which will work as a positive factor in the current economic situation. However, being content with recent drops in the yen's value, the government should not reverse the measures it has adopted. Canceling these measures is tantamount to repeating a mistake of the 1994 financial policy. It will also delay allaying public anxiety over the economy's future. Or, it may cause distrust among private companies and consumers in the government's policies. If this happens, "the largest-ever economic stimulus package" would not be something that the government could feel proud of.

Top 20 Depositors of Failed Kizu Revealed

OW2209164-95 Tokyo KYODO in English
1522 GMT 22 Sep 95

[FBIS Transcribed Text] Osaka, Sept. 22 KYODO — The depositor with the largest time deposits at the bankrupt Kizu Credit Union was a company with deposits totaling 18.8 billion yen, according to internal documents of the Osaka prefectural government obtained Friday [22 September].

The documents, submitted by concerned parties to the Osaka prefectural assembly, include a list of Kizu's top 20 depositors in terms of aggregate time deposits at the end of July.

Of these, the first three were corporations, the largest being a real estate company based in Osaka.

The second largest depositor was also a real estate company, with 18.0 billion yen in time deposits, and the third a company with 6.7 billion yen in deposits.

Among the 20 depositors, 13 were individuals with deposit amounts ranging from 1.1 billion yen to 4.8

billion yen. The largest depositor among the individuals ranked fourth on the entire list.

There was also a public corporation in 11th place with deposits of 1.6 billion yen.

The documents, obtained by KYODO NEWS SERVICE, show that 77 percent of the all Kizu depositors were so-called large-lot depositors with more than 10 million yen in deposits.

Kizu had a total of 48 billion yen in time deposits withdrawn Aug. 29, the day before it declared bankruptcy, and another 125.6 billion yen on the day of the bankruptcy itself, according to the documents.

Among those who withdrew deposits was the real estate firm in Osaka that appears in second place on the list of 20 top depositors, withdrawing about 18 billion yen on Aug. 29.

The public corporation on the list withdrew some 1.6 billion yen the following day, the documents show.

Given the earlier failure of three credit unions in Tokyo, Kizu depositors were nervous and the run on the credit firm could not be halted, informed sources said.

That further worsened Kizu's funds situation and spurred the Osaka government to order partial suspension of the credit union's operations, they added.

Irrecoverable Bankrupt Kizu Loans Discussed

OW2309104895 Tokyo KYODO in English
1024 GMT 23 Sep 95

[FBIS Transcribed Text] Osaka, Sept. 23 KYODO — Irrecoverable loans by the bankrupt Kizu Credit Union rocketed up 400 times over four years to 600 billion yen in fiscal 1994 to March 1995, Osaka Prefectural Government officials said Saturday [22 September].

The officials said Kizu's irretrievable loans in fiscal 1990, shortly after the collapse of the asset inflation-induced "bubble" economy, stood at 1.5 billion yen.

Kizu's irrecoverable loans snowballed as the Osaka-based credit union continued to make additional loans to borrowers who could not pay the interest on earlier ones.

The amount of Kizu's irrecoverable loans increased to 3.4 billion yen in fiscal 1991, 23.9 billion yen in fiscal 1992 and 70.8 billion yen in fiscal 1993.

In fiscal 1994 irrecoverable loans by Kizu climbed to 600 billion yen, 55 percent of the 1,075.1 billion yen the credit union lent borrowers.

In late August, Kizu Credit, Japan's largest credit union in terms of deposits, collapsed when the Osaka

Prefectural Government ordered it to halt all operations except for payments of matured deposits.

Reportage on Public Funds for Bad Loan Disposal

Murayama Favors Use of Funds

*OW2509034395 Tokyo KYODO in English
0241 GMT 25 Sep 95*

[FBIS Transcribed Text] Tokyo, Sept. 25 KYODO — Prime Minister Tomiichi Murayama expressed support Monday [25 September] for a proposal to use public funds to help dispose of nonperforming loans held by Japanese financial institutions, officials said.

Murayama told Jiro Nemoto, president of the Federation of Employers Associations (Nikkeiren), and other business leaders in a meeting that public funds should be used to preserve Japan's financial system and protect depositors, government and business officials said.

Murayama was also quoted as saying depositors not only in Japan but overseas are concerned over the bad-loan problems.

He also told the executives that an extraordinary Diet session to be convened Friday will focus on the second supplementary budget for fiscal 1995 and a proposed revision of the law regulating religious organizations.

Nosaka Wants Public Approval First

*OW2509051495 Tokyo KYODO in English
0357 GMT 25 Sep 95*

[FBIS Transcribed Text] Tokyo, Sept. 25 KYODO — The government should obtain taxpayers' approval before moving to use public money to solve the financial crisis threatening Japan's housing loan companies, the top government spokesman said Monday [25 September].

"When it comes to injecting public funds, we should win public approval and understanding first," Chief Cabinet Secretary Koken Nosaka told a news conference, referring to the potential insolvency of the mortgage firms.

"We will consider how to cope with the matter after winning sufficient understanding of the public," he said.

The nation's eight housing corporations have about 8.4 trillion yen in nonperforming loans, which are loans on which no interest has been paid for at least six months. Some 75 percent of these loans are in danger of becoming unrecoverable.

A subcommittee of the Financial System Research Council, an advisory body to the finance minister, is scheduled to release an interim report on Wednesday on

the bad-loan problem plaguing Japan's banking industry at large.

Matsushita on Need of Funds

*OW2509081295 Tokyo KYODO in English
0748 GMT 25 Sep 95*

[FBIS Transcribed Text] Nagoya, Sept. 25 KYODO — Bank of Japan (BOJ) Governor Yasuo Matsushita on Monday [25 September] suggested the need for the government to use fiscal funds to help dispose of nonperforming loans held by Japanese financial institutions.

In a speech to business executives in Nagoya, Matsushita said the central bank's special loans or financial support to help dispose of bad loans should not be frequently resorted to.

Noting there were examples overseas to use fiscal funds for bad-loan problems of a similar scale, Matsushita said the central bank's primary role is to secure liquidity in the nation's banking system.

"It is not appropriate to often use" the BOJ's money to cover losses of failed financial institutions or to financially support entities taking over their operations.

On the size of Japanese financial institutions' nonperforming loans, Matsushita said less than 20 trillion yen is irrecoverable.

"Even under severe calculations, final losses may total less than half of the government's estimate of 40 trillion yen in bad loans after the use of loan-loss reserves."

The Finance Ministry has estimated the total of nonperforming loans at some 40 trillion yen, of which 10 trillion to 15 trillion yen is irrecoverable.

Outline for Liquidating Failed Financial Firms

*OW2409131795 Tokyo MAINICHI SHIMBUN
in Japanese 20 Sep 95 Morning Edition p 9*

[FBIS Translated Text] On 19 September, the outline of an interim report by the Financial System Research Committee [FSRC] (advisory body to the finance minister), which is studying ways to liquidate failed financial institutions, was revealed. The final report will be released on 27 September. In addition to indicating the committee's favorable attitude toward using public funds to write off failed financial institutions, the report calls for the expansion of the Deposit Insurance Corporation's [DIC] functions, and the introduction of the "early rectification system," in which the supervisory authorities, such as the Finance Ministry, will set objective criteria to measure the "insecureness" of the banking organizations, and provide them with guidance

to improve their financial situations. However, regarding the housing loan companies (jusen) issue, the committee is likely to merely point it out.

The interim report proposes measures to dispose of the banking organizations' bad loans within five years, while presenting mid- and long-term solutions.

As for the immediate measures, the report urges that efforts be made to have the management, stockholders, and investors strictly follow the principle of self-liability. In particular, the following principle should be presented: The DIC will give financial assistance to the failed organizations on condition that the management resign, while stockholders and investors bear a burden similar to conducting a payoff (repaying a deposit of 10 million yen at the most). In addition, the report suggests that those who hold large deposits of over 10 million yen should bear losses beginning five years from now on the premise that the banking institutions will disclose information on their business performances.

Concerning the expansion of the DIC's functions, the report proposes raising premiums as an immediate step to increasing its financial resources. As for the mid- and long term measures, the report suggests considering giving the following functions to the DIC: In conducting a smooth amortization, the DIC will purchase from large creditors a part of their credits worth over 10 million yen, which are expected to be recovered after completion of the amortization; and will serve as a trustee in bankruptcy, as well as a representative of the all the depositors.

Regarding the introduction of public funds, including tax revenues, the FSRC intends to approve using public funds only in the case where the liquidation program is stalled because the amount of losses that should be written off is too huge to cover even with assistance from the concerned financial organizations and the DIC, and consequently, maintaining the financial system seems to be difficult. The committee intends to disapprove the use of public funds to rescue each financial institution.

The early rectification system seeks to prevent the failure of banking institutions by "detecting problems and solving them at an early stage." The FSRC urges the creation of a certain system, in which supervising authorities will order financial institutions to improve their services, and if necessary, restrict some of their services based on their insecurity measured with objective indexes, such as percentage of owned capital.

As a step to stabilizing management of the credit unions, many of which are suffering from failing financial situations, the report suggests dividing them into two groups based on the amount of their deposits, and

encouraging big credit unions to change their business status to banks or credit associations. In addition, the committee urges the government and municipalities to strengthen their cooperation in holding inspections and providing guidance to big organizations that will remain as credit unions.

The FSRC will draw up the interim report after holding meetings from 21-22 September, and devise the final report, including the handling of the jusen issue, by the end of the year.

Editorial Urges Dissolution of MOF

*OW2409153195 Tokyo ASAHI SHIMBUN
in Japanese 17 Sep 95 Morning Edition p 5*

[Editorial: Dismantle the Ministry of Finance]

[FBIS Translated Text] It was the Ministry of International Trade and Industry that was notoriously known as the bureaucratic organization controlling the Japanese economy. That image has now been passed on to the Ministry of Finance [MOF].

Last February, a U.S. diplomatic journal "FOREIGN AFFAIRS" carried an article entitled: "Japan's Invisible Leviathan" (by Eamonn Fingleton). In this article, Fingleton argues that Japan's Finance Ministry is a "gigantic monster" that wields great authority — unbelievable to the United States and European democratic countries — and exercises its power through behind-the-scenes manipulation.

The conduct of Yoshio Nakajima, who resigned as director of the MOF's Institute of Fiscal and Monetary Policy over his moonlighting scandal, is a good example of how arrogant and corrupt this monster organization is.

Fearful Behind-the-Scenes Authorities

Scandal-ridden Nakajima was once asked to leave the ministry by the Liberal Democratic Party [LDP] when it attacked the MOF over its policy on the removal of the rice import ban last fall. Nakajima, who was then the Budget Bureau deputy chief, became a object of LDP criticism for his remark: "Scattering treasury funds cannot build strong agriculture." He made this comment in an interview with a certain agricultural journal.

The reason the LDP severally attacked Nakajima was not because the party had "foresight." The MOF, which had enjoyed a cozy relationship with the LDP, suddenly made advances toward the new administration as soon as the LDP fell into opposition. It is obvious that the LDP's "grudge" against the MOF still lingers even after it retrieved the status of a ruling party.

The LDP administrations' political monopoly, which it held since the end of the war, was toppled with the start of the new coalition government. The MOF did not expect that it would provoke such a harsh reaction from the LDP. But it was not the only mistake the ministry made.

Realizing it could no longer be an inconspicuous puppeteer under the divisive coalition administration, the MOF decided to exert its political power openly. For example, Vice MOF Administrative Minister Jiro Saito, who stepped down last May, used to be called "the shadow prime minister" under the Hosokawa administration. When the notorious national welfare tax concept — a project retracted in one night due to strong opposition — created much disturbance in the political world, criticism erupted that it was a plot "written by the MOF, directed by Ichiro Ozawa, and starring Morihiro Hosokawa."

What we clearly see in these episodes is Japan's democracy in crisis as nonelective bureaucrats dominate national politics.

After the military and Internal Affairs Ministry were dissolved in the postwar period, the MOF, which remained intact, seized wide-ranging power — budget allocation and tax reform, for example — and established its status as "the ministry of the ministries."

Other ministries and agencies, on the contrary, lost their strength against the MOF as they were reduced to "begging" for budgets.

The MOF's great authority in the allocation of public works projects and its direct jurisdiction over the National Tax Administration Agency intimidates politicians who fear: "If we go against the MOF, the tax agency will come and get us."

It also controls personnel affairs in government-affiliated organs, such as the Export-Import Bank of Japan and the People's Finance Corporation, with its authority over treasury investments and loans mostly financed through postal savings. This means more power and a more secure life for MOF officials because such a connection brings them fat jobs in banks, securities, and insurance companies after their retirement from the ministry.

Limit of MOF's Power Revealed

Japan now stands at a historic turning point in its structural reform efforts. While the deficit-ridden United States continues losing value of the dollar, Japan is taking advantage of the yen's appreciation. Transferring its production plants abroad, Japan must reconstruct

its economy by fostering industries that could develop advanced technologies and information systems.

To prepare for the coming of the aging society, the nation needs public investments to improve living environments but not industrial infrastructure.

To meet such trends of the times, the government should reconsider the way it spends treasury funds. However, the MOF's main concern is to maintain a power balance among existing ministries and agencies, special-interest legislators, and pressure groups.

Such an attitude made it difficult for the MOF to conduct flexible budget allocations, resulting in its failure to meet the needs of the changing times.

Another problem is its delayed response to the vast sum of nonperforming loans afflicting the nation's financial institutes.

We recently observed a series of bankruptcies involving major financial institutes. The situation got to this point, in part, because MOF officials procrastinated over the issue. Important Banking Bureau officials avoided tackling sticky problems, saying: "I do not want to hold the bag."

What afflicts domestic banks most are the ailing housing loan corporations [jusen], which are suffering from irrecoverable loans worth 8 trillion yen.

Although it was the MOF that formulated a "jusen reconstruction plan," incriminated with "wishful thinking," just two years ago, the plan not only caused a delay in the bailout of troubled corporations, but also aggravated the situation.

Japan is regarded as the world's financial power. Yet, its financial markets fall behind those of the United States and European countries. The fact is that since Japan has been losing its competitive edge in the Asian markets, "financial hollowing-out" has recently become another serious problem.

Various regulations are the cause of this. A typical example is the imposition of a withholding tax on interests on short-term credits. Japan's tax system, which runs counter to the common sense of the world financial markets, inhibits the development of its short-term money market, a foundation of its financial strength. From a global standpoint, the MOF's position of putting domestic financial matters ahead of the international economic situation prohibits the nation's financial market from developing.

We do not deny the achievements the MOF made with its deliberate budget allocations in spurring industrial development during the Meiji Period and the restoration

of the nation after the war. Even so, we must limit the MOF's role to pave the way for the forthcoming new era.

Corruption is everywhere in an organization that is intoxicated with its own power and cannot foresee its future. The "money" scandal involving Nakajima, who was on a promising career track in the powerful MOF, represents the vicious practices prevailing in the MOF.

It is time that we discussed various issues to decentralize the MOF's power to create new organizations that can meet the needs of a new age.

New Start for Administrative Reform

To allocate budgets based on a comprehensive vision, we propose building a new budget agency under the cabinet's direct control and moving the MOF's Tax Bureau into the new agency. Another suggestion is to set up a financial agency and centralize the authorities involved in the inspection, monitoring, and instruction of banks, securities, and insurance companies

On 12 September, the ruling party's administrative reform project team worked out a draft report on "how to strengthen the functions of the prime minister's office." According to Fumihiko Igarashi of New Party Sakigake [Harbinger] who published a book entitled: "The Dismantlement of the MOF," the report encourages "reorganization of the ministries and agencies, including the MOF's dissolution, after enhancing the prime minister's office to create a better environment where the prime minister can exert leadership."

This is a far-reaching "project." However, administrative reorganization to fulfill the needs of the new era will certainly become the politicians' great task and require nationwide discussions and a national consensus.

Should we fail to dismantle the monster that is no longer needed, Japan's structural reform to bring a bright future will only end in disaster.

Farm Ministry Expects Better Rice Output

OW2309102895 Tokyo KYODO in English
0901 GMT 23 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 23 KYODO — The paddy rice harvest index as of Sept. 15 improved 2 points from a month earlier to 102 against an average of 100, indicating the country is headed for a rice surplus of nearly 3 million tons this year, Agriculture, Forestry and Fisheries Ministry sources said Saturday [23 September].

The overall rice harvest for the year is expected to total 10.8 million tons, about 500,000 tons above projected

national demand, making it certain that retail rice prices will fall, the sources said.

At one time the outlook for this year's rice harvest was considered poor because of unusually low temperatures and shorter hours of sunshine after planting.

The heat wave in August led to a turnaround in the outlook, the sources said.

The latest survey by the ministry showed the rice production indexes in Kyushu, Chugoku and Shikoku regions exceeding 106.

Compared with the August survey, indexes for Chugoku and Kanto regions improved by 5 points, those for Shikoku by 4 points, Tokai and Kinki by 3 points and Hokuriku by 1 point.

The sole exception was Tohoku, which saw a 1-point fall to 98 due to prolonged rainfall this summer.

According to Rice Databank Inc., sales of newly harvested rice remain slack. A surplus of rice harvested last year is projected to reach nearly 2 million tons, forcing some wholesalers to dump the old rice below production costs, it said.

Moreover, Japan will import 400,000 tons of rice during the current fiscal year to March 31 in line with its pledge to partially liberalize farm imports under Uruguay Round global trade agreements.

Murayama To Stress Stimulus Package in Speech

OW2509020495 Tokyo KYODO in English
0051 GMT 25 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 25 KYODO — Prime Minister Tomiichi Murayama will underline his cabinet's latest economic stimulus package in a policy speech at the outset of an extraordinary Diet session starting Friday [29 September], sources close to the ruling coalition said Monday.

Murayama, Foreign Minister Yohei Kono, Finance Minister Masayoshi Takemura and Chief Cabinet Secretary Koken Nosaka decided the outline of the speech in a meeting at the Premier's Official Residence Sunday, the sources said.

Murayama will stress the significance of the 14 trillion yen stimulus package unveiled last Wednesday and will also express his determination to take further steps to tackle the economic slump, they said.

The prime minister will also call in the speech for early passage of the second supplementary budget for fiscal 1995, to be submitted on Oct. 4 to the Diet, they said.

On international affairs, he will strongly demand an end to nuclear testing, and will call on China and France by name to take into account the antinuclear sentiment of the Japanese people as the sole atomic-bombed nation, the sources said.

The premier will also express in the speech his great concern over the rape of a schoolgirl in Okinawa Prefecture, in which three U.S. military personnel are the suspects, they said.

Concerning Japan's domestic crime, Murayama will call for stepped-up measures against gun-related crimes, according to the sources.

He will also call for Diet deliberations on revising the religious corporations law in the wake of a series of serious crimes attributed to the Aum Shinrikyo religious sect, the sources said.

LDP Convention Confirms Hashimoto as New Head
OW2509051195 Tokyo KYODO in English
0438 GMT 25 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 25 KYODO — The Liberal Democratic Party (LDP), the largest component of Japan's three-party ruling coalition, confirmed the election of new party President Ryutaro Hashimoto at an extraordinary party convention Monday [25 September] afternoon.

Departing LDP President Yohei Kono formally urged members to accept Hashimoto as the new leader "to run the party effectively."

International Trade and Industry Minister Hashimoto, 58, plans to name key party officials the same day at a meeting of the party leadership and a meeting of the decision-making Executive Council, aides said.

Hashimoto, the LDP's 17th president, has already decided to pick Koichi Kato, former chief cabinet secretary and chairman of the LDP's Policy Affairs Council, as the secretary general of the party, party sources said.

Kato belongs to the intraparty group led by former Prime Minister Kiichi Miyazawa.

Hashimoto intends to fill two other key party posts — the Executive Council and Policy Affairs Council chairmanships — with officials from the party group that was led by former Foreign Minister Michio Watanabe, who died Sept. 15, and another faction led by Hiroshi Mitsuzuka, current party secretary general.

The Mitsuzuka group is recommending former Home Affairs Minister Masajuro Shiokawa for one of the key party posts.

Within the Watanabe group, senior members want former Posts and Telecommunications Minister Masaaki Nakayama to be the chairman of the Executive Council.

But at a meeting Sunday night, 12 younger group members confirmed their recommendation of former construction minister Taku Yamasaki as the chairman of the Policy Affairs Council.

The Watanabe group is scheduled to hold a general meeting to discuss the issue Monday afternoon, while Hashimoto and his aides are waiting to see the development within that group for a peaceful start of the new party leadership.

Hashimoto won the LDP election Friday to replace Foreign Minister Kono as party president, defeating his sole rival, former Posts and Telecommunications Minister Junichiro Koizumi.

Kono's two-year term as LDP president expires Saturday.

The convention later Monday unanimously accepted the resignation of the outgoing party leadership.

Upon his confirmation as the new party leader, Hashimoto told the convention, "I will make my utmost efforts to candidly address all pending issues."

He promptly started talks with Kato on the new party lineup.

Former Prime Minister Motohiro Hosokawa of the major opposition Shinshinto (New Frontier Party) criticized Hashimoto for pledging to continue the current coalition with the Social Democratic Party and New Party Sakigake.

Addressing a meeting in Omura, Nagasaki Prefecture, Hosokawa said, "People who voted for the LDP in the last general election did not vote for a Murayama government. Hashimoto's joining hands with the SDP amounts to a total betrayal of the hopes of the electorate."

Industrialists Welcome Hashimoto

OW2209110695 Tokyo KYODO in English
0921 GMT 22 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 22 KYODO — Japanese business leaders welcomed the election Friday [22 September] of International Trade and Industry Minister Ryutaro Hashimoto as president of the Liberal Democratic Party (LDP).

Kosaku Inaba, chairman of the Japan Chamber of Commerce and Industry, said Hashimoto is well-versed

in economic policies and is expected to give a strong boost to national economic recovery.

Shoichiro Toyoda, chairman of the Federation of Economic Organizations (Keidanren), expressed hope that Hashimoto will play a leading role in international economic negotiations.

Jiro Nemoto, president of the Japan Federation of Employers Associations (Nikkeiren), said the LDP presidential election has stirred policy debates and made LDP politics more open.

Jiro Ushio, chairman of the Japan Association of Corporate Executives (Keizai Doyukai), also said debates in connection with the election have clarified policy issues.

Toyoda also expressed hope that Hashimoto will take the initiative in promoting deregulation and tax reforms.

Hashimoto Meets Press

OW2209132395

[FBIS Editorial Report] Tokyo NHK General Television Network in Japanese at 0723 GMT on 22 September carries 21 minutes of live coverage of a news conference by Ryutaro Hashimoto, president-elect of the Liberal Democratic Party (LDP).

Hashimoto, who also serves as the international trade and industry minister in the Murayama cabinet, was officially elected the new LDP President following a nationwide vote by LDP members and lawmakers.

Hashimoto begins the news conference with a brief statement expressing his gratitude to the LDP members who voted for him, and praising his rival, Junichiro Koizumi.

Asked about a possible reshuffle of top party executives, Hashimoto says he still has no definite plans as the issue should be discussed at the LDP convention scheduled for 25 September.

He adds: "If I have something to say, it is that I want to build a strong team consisting of fresh, stable, and capable people, though this may sound as though I am expecting a bit too much."

On his attitude toward the pro-Koizumi group in the LDP, Hashimoto says: "I do not intend to draw a line between those who supported me and those who supported Mr. Koizumi."

Reporters then ask about possible changes in the balance of power in the three-party coalition due to the conservative political stance of pro-Hashimoto LDP lawmakers. Hashimoto says that under his leadership the LDP will continue to respect the framework of the coalition

with the Social Democratic Party of Japan and Sakigake (Harbinger) because political stability is needed to fulfil the government's priority task of boosting the stagnant economy.

He adds: "Even under the coalition government, however, we will not slacken our efforts to incorporate LDP policies into the coalition consensus."

Asked if he will take the post of the deputy prime minister when it is offered by Prime Minister Tomiichi Murayama, Hashimoto says: "I have not heard of such an offer. Rather, I have recently told the chief cabinet secretary it is preferable that Mr. Kono attend the UN General Assembly as deputy prime minister and foreign minister."

Asked about his campaign pledge to provide a new advisory panel to accelerate administrative and fiscal reform, Hashimoto says he intends to open intra-party discussion on the idea.

He says: "I would like to begin by first gaining the party's cooperation. I must ask party members to decide whether or not the new party leadership takes my ideas fully on board."

Pointing out his reputation as conservative leader, he is asked whether his election as LDP president will intensify tension in the coalition government.

Hashimoto says: "I have tried my best to support the coalition government as a member of the cabinet under the supervision of the LDP president — that is my responsibility as a cabinet minister. My responsibility to the cabinet will not change, no matter what role I take in the party. There is nothing I can do if some people feel I cannot be trusted on those grounds. If our coalition partners say Mr. Kono was trustworthy but I am not, I will try my best to gain their confidence."

At 0744 GMT NHK abruptly ends its coverage while the news conference is in progress.

New LDP President Ryutaro Hashimoto Profiled

OW2209075095 Tokyo KYODO in English
0723 GMT 22 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 22 KYODO — Ryutaro Hashimoto's election as leader of the Liberal Democratic Party (LDP) on Friday [22 September] brought him closer to his longtime goal of taking the helm of Japan's government.

Hashimoto, 58, who is trade minister in socialist Prime Minister Tomiichi Murayama's tripartite coalition, has long been one of the nation's most popular politicians and a favorite for the premier's post.

Despite Hashimoto's high ratings in opinion polls, he is known as a maverick in the LDP, the dominant force in the governing alliance, perhaps because of his sometimes cool and distant persona.

Nevertheless, he has successfully garnered overwhelming support within his party for his bid to seek the LDP presidency, forcing incumbent party chief Yohei Kono to withdraw from the contest.

It is widely believed the broad-based support for Hashimoto is a reflection of LDP members' demands for a powerful leader who will be able to guide the party to victory in the next general election for the House of Representatives.

Since its poor showing in the House of Councillors election in July, members of the LDP have been worried that the party might be defeated in the lower house poll and lose its grip on power.

Hashimoto is well-versed in government policies ranging from social security and administrative and fiscal reform programs to the environment, but has also been described as a mere mouthpiece for bureaucrats.

Still, as trade chief, Hashimoto struck an eleventh-hour accord on automobile trade with the United States in grueling June talks that prompted U.S. Trade Representative Mickey Kantor to call the master of kendo sword-fighting a formidable tactician.

A swashbuckler known for his oily elvis-style hair and long cigarette holder, Hashimoto is thought to be a potential threat to the framework of Murayama's coalition.

Some members of the Social Democratic Party (SDP) and New Party Sakigake [Harbinger], the LDP's partners in the coalition, are especially wary of his apparently hawkish political stance.

Hashimoto's stated goal of bringing back the LDP's single-party domination of Japan's government has also made the SDP and Sakigake cautious, even though leaders of the two parties envisage no immediate breakup of the ruling coalition.

Hashimoto was born in 1937 and graduated from Tokyo's Keio University. He has been a lower house member for Okayama Prefecture since the age of 26, when he won the seat vacated by the death in 1963 of his father, Ryugo, who had been health and welfare minister.

He has been elected to the lower chamber 11 times, and has followed a colorful career as a politician, serving as LDP secretary general and head of the Policy Affairs Research Council, as well as being minister for health

and welfare, transport and finance before his current ministerial brief.

Hashimoto is married and has three daughters and two sons. In addition to kendo, in his spare time he is fond of mountain climbing, photography and riding.

Hashimoto on LDP Reform, Plans Before Election

*OW2409004395 Tokyo YOMIURI SHIMBUN
in Japanese 20 Sep 95 Morning Edition p 2*

[Interview with Ryutaro Hashimoto, international trade and industry minister, by unidentified YOMIURI SHIMBUN reporter; place and date not given]

[FBIS Translated Text] [YOMIURI SHIMBUN] How will you deal with supporters of former Posts and Telecommunications Minister Junichiro Koizumi after the Liberal Democratic Party [LDP] presidential election?

[Hashimoto] Taking into consideration the fact that the lower house adopted the new single-seat constituency system, it would be undesirable for the LDP to split into mainstream and anti-mainstream groups. I do not think I should create anti-mainstream factions through my party management.

[YOMIURI SHIMBUN] Could you tell us about the party's preparation for the next general election?

[Hashimoto] Under the multi-seat constituency system, we used to have more than one supporter's association in almost every districts competing with each other to back their candidates. Also, the LDP still has company-based chapters and other friendly groups all over the nation. Practically speaking, we have to start with reorganizing those supporters' groups into party structures in line with the new electoral system.

[YOMIURI SHIMBUN] How many candidates will the LDP field in the next general election?

[Hashimoto] We will prepare for the election, aiming at fielding candidates in all 300 single-seat districts. Our greatest concern is how to prepare well-qualified candidates in urban districts; the invitation of party ticket applications from non-LDP members is a possible method.

[YOMIURI SHIMBUN] What is your plan for structural reform of the LDP?

[Hashimoto] I want to set up three project teams to thoroughly discuss pump-priming measures, administrative reform, and Japan's direction "after the 50th anniversary of the end of World War II." I want to lay particular emphasis on the last point to clearly hammer out the LDP's stance on the Japan-U.S. Security Treaty. We need to

properly reevaluate the security pact and send the message that the pact is indispensable not only for Japan but also for stability in the Asia-Pacific region, and that we desire to firmly maintain the treaty and deepen our ties with the United States. I want to have this team under the direct control of the party president.

[YOMIURI SHIMBUN] Do you think resigning LDP President Yohei Kono should attend the Asia-Pacific Economic Cooperation (APEC) forum's Osaka conference as foreign minister?

[Hashimoto] There is no change in my opinion. We will have to beg him to stay if he offers his resignation, but I do not want that to happen. His participation is necessary to show the host nation's respect for guest nations.

[YOMIURI SHIMBUN] Do you plan to propose a review of the tripartite accord reached among the three ruling parties?

[Hashimoto] I will discuss that if it is proposed (by the Social Democratic Party [SDP] and New Party Sakigake [Harbinger]). For example, if the coalition partners say certain measures are needed to stimulate the economy, we will discuss that.

[YOMIURI SHIMBUN] If Prime Minister Tomiichi Murayama resigns after the SDP's transformation into a new party, how will the LDP deal with the situation?

[Hashimoto] This is the SDP's internal affair, and the LDP should not intervene in that issue. We are now undergoing a transition of electoral systems, and under such circumstances, being a top party leader may not be an absolute condition for the premiership. I hope he will understand how his position is important for the nation.

[YOMIURI SHIMBUN] What is your stance toward a revision of the Religious Corporation Law?

[Hashimoto] The series of incidents involving the Aum Shinrikyo cult provoked public demand for the law's revision. What I can say is that we will take appropriate action when the Education Ministry's Council on Religious Juridical Persons works out definite proposals.

Hashimoto's Agenda as LDP President Viewed

OW2309150995 Tokyo NIHON KEIZAI SHIMBUN in Japanese 23 Sep 95 Morning Edition p 2

[Editorial: "Agenda for New LDP President Hashimoto"]

[FBIS Translated Text] On 22 September, Ryutaro Hashimoto was elected 17th president of the ruling Liberal Democratic Party [LDP]. As anticipated, Hashimoto won a landslide victory against Junichiro Koizumi. The

final outcome of the election appeared to have been decided from the beginning. It is of significance that in the LDP presidential election, the two candidates held thorough policy debates.

If future LDP presidents were elected on the basis of public debates, not on the basis of collusive discussions in Nagata Town [Tokyo town where major parties are located], the people would alter their views on politics and it would be possible to halt the current trend among the people toward estranging themselves from political parties.

Hashimoto was elected LDP president at a time when limitations of the Murayama coalition government, which has been shored up by the LDP, the ruling Social Democratic Party [SDP], and the ruling New Party Sakigake [Harbinger], are surfacing. Hashimoto's inauguration as LDP president is seen as a harbinger for the beginning of new politics. The LDP, which will be led by President Hashimoto, is expected to eventually move toward forming a "Hashimoto cabinet" while grouping for the timing of the dissolution of the House of Representatives and the holding of general elections.

These moves by the LDP will greatly irritate the SDP, which is in a life and death crisis with no prospect for reforming itself into a new party; New Party Sakigake, which is staking its fate on a major trend toward a two-party system; and the New Frontier Party, the main opposition party.

If Hashimoto's inauguration as LDP president sets the stage for the second realignment of political parties, this deserves our wholehearted welcome.

The people have yet to pardon the LDP, which was riddled by a series of financial scandals under the 1955 system. As Hashimoto stated during a news conference held shortly after his election, "the LDP has yet to win back public confidence." The people reluctantly allowed the LDP to take the status of the largest party because of the absence of a popular party to replace it. Many people probably think that unless the LDP restarts with the awareness of that point, it has no choice but to follow the course of fall.

The politics practiced over the past two years in the fair name of political reform has been "small politics" in which both the ruling and opposition parties have vied for interests and caviled each other. How did the economy get worse under such politics? How much has Japan been isolated from the international community?

Politics, a key element in our society, is getting far worse than ever. Politics has degenerated to the point where no politician is willing to take responsibility.

What is more, the people are resigned to the shameless misdeeds of bureaucrats that are unfolding one after another.

Hashimoto is said to be very assertive. He is also said to lack virtues. These do not necessarily constitute shortcomings in the quality of Hashimoto as a leader. The political leaders who went down in history were figures who were in no way liked by all the people.

What is important for a political leader is to take accurate historical views, have a sense of responsibility, and equip himself with the ability to make judgments. Winning the people's popularity is not the only important matter. A great political leader is often faced with a storm of criticism. Hashimoto must be aware of the fact that past political leaders, who rushed to win their popularity among the people, were forced to turn over power earlier than anticipated.

The newly-elected LDP president, who is well known for his straightforwardness, should give new impetus to politics, speak his mind, and make the right judgments. We believe that this is the way to revive the LDP. We want to put an end to the politics that only aims to keep the reins of government intact.

North Korea

U.S. State Department Delegation Arrives

SK2309151795 *Pyongyang KCNA in English*
1515 GMT 23 Sep 95

[FBIS Transcribed Text] Pyongyang, September 23 (KCNA) — A delegation from the U.S. State Department arrived here today by air for the establishment of a liaison office under the DPRK-U.S. framework agreement.

Korean Resident in U.S. Arrives in Pyongyang

SK2309214495 *Pyongyang KCNA in English*
1514 GMT 23 Sep 95

[FBIS Transcribed Text] Pyongyang, September 23 (KCNA) — Son Won-tae, Korean resident in the United States, and his party arrived here today.

They were met at the airport by Choe Sang-sun, deputy director of the Party History Institute of the Central Committee of the Workers' Party of Korea.

Visits Kumsusan Palace

SK2509060795 *Pyongyang KCNA in English*
0453 GMT 25 Sep 95

[FBIS Transcribed Text] Pyongyang, September 25 (KCNA) — Son Won-tae, Korean resident in the United States, and his companion visited Kumsusan Memorial

Palace where the great leader President Kim Il-song is preserved in state, and made a deep bow to him on Sunday.

Son Won-tae said:

Seeing the great President Kim Il-song again, I remember what he told me in Jilin to live and fight always for our nation, implanting patriotism in my mind.

President Kim Il-song is the benefactor who glorified our nation all over the world. My country which holds him in high esteem as an eternal leader will be a model of the world in the future, too.

Son Won-tae and his companion visited the statue of President Kim Il-song on Mansu Hill to lay bouquets and make a bow on Sept. 23.

Daily Condemns South Foreign Minister's Remarks

SK2209115795 *Pyongyang Korean Central*
Broadcasting Network in Korean
0855 GMT 22 Sep 95

[NODONG SINMUN 22 September commentary: "Shameless Act and Remarks Overturning Black and White"]

[FBIS Translated Text] The South Korean puppet foreign minister, Kong No-myong, in a recent interview with a foreign newspaper reporter claimed that the North has failed to take any step for the improvement of North-South relations and the signing of a peace agreement between us and the United States would render the situation on the Korean peninsula strained. Thus, he made unreasonable and ridiculous remarks.

It goes without saying that his remarks are a barefaced lie distorting truth and overturning black and white aimed at slandering us.

It is a fact known to the entire world that we consistently called for achieving peace and peaceful reunification of the nation through national reconciliation and unity and North-South dialogue, and that we have made, and are making all possible efforts to realize them.

In fact, the ones who have taken no step for the improvement of North-South relations are not us but the South Korean ruling bunch.

As soon as it came to power, the Kim Yong-sam group resumed the Team Spirit nuclear war exercise, which was suspended during the later stage of the Sixth Republic, and staged provocative northward aggressive war exercises every day, thus playing with fire. The Kim Yong-sam group is the very ringleader who nullified the North-South agreement and the joint declaration for denuclearization and who froze overall North-South

dialogue by claiming that they cannot shake hands with a partner who has nuclear weapons while raving about nonexistent nuclear suspicion of the North.

In particular, they pointed rifles at the painful hearts of fellow countrymen, instead of observing decorum by offering condolences for an unexpected misfortune of fellow countrymen, and dashed along the road of fascist oppression and treachery. They are indeed unprecedented traitors who turned North-South relations, which were advancing in the direction of reconciliation and unity, to antagonism and confrontation.

Even at this moment, they are dashing toward antagonism and confrontation by regarding us as the enemy.

For what they have done in the past and what they are doing at present, the South Korean puppets have neither quality nor justification to slander someone else over the issue of the improvement of North-South relations. If they are truly willing to improve North-South relations, they must, first of all, apologize for the blackest crimes they committed against history and the nation and take steps to remove the infamous legal and institutional machines and the physical barrier which are standing in the way of the improvement of North-South relations.

Nevertheless, Kong No-myong ran amok with smear and slander in an attempt to damage our peaceloving and reunification-oriented position by concealing their anti-dialogue and antireunification position and crime, like a thief shouting "Stop thief!" This is indeed a shameless act and remarks that can be made only by those who are accustomed to distortion and fabrication of the reality and to slander of others.

His remarks that the signing of DPRK-U.S. peace agreement would render the situation on the Korean peninsula strained are indeed preposterous.

Those who reduced South Korea to the largest storage house of nuclear weapons in the Far East, who ran amok with an arms buildup and northward aggressive war exercises, who fortified the DMZ in the Military Demarcation Line, thus making it attack positions, and who are straining the situation to an extreme, are none other than the United States and the South Korean puppets.

Due to the misbehavior of one of the signatories to the Armistice Agreement, it has left without any real meaning and the armistice supervisory machine, reduced to a mere name.

The armistice system cannot be restored, left with no other choice but to be replaced with a new system.

Under this situation, we put forward a proposal for the replacement of the Armistice Agreement with a peace

agreement between us and the United States and the establishment of a new peace mechanism and has taken some practical steps to this end.

Today a broad range of public opinion at home and abroad is actively supporting and welcoming our efforts by pointing out such efforts are a practical step to prevent an arms buildup and recurrence of war on the Korean peninsula and to actually ensure a durable peace.

Nevertheless, the South Korean puppets are persistently setting their face against the DPRK-U.S. peace agreement, claiming that it will enkindle the situation on the Korean peninsula. This reveals their sinister intention to keep the DPRK and the United States in the relationship of belligerence at any cost and crush us with the help of their masters. This also exposes their moves to obstruct the peace and peaceful reunification of the Korean peninsula.

Today various complex and acute problems, which have been raised to threaten peace on the Korean peninsula, are related to the fact that the outdated armistice system, which defined us and the United States as two hostile sides, is still maintained.

If the South Korean puppets hope for the peace of the country, they must help us and the United States, the signatories to the Armistice Agreement, dispel the hostile relations and set up a new peacekeeping system through negotiations, instead of disturbing us.

By making shameless remarks overturning black and white, the puppet Foreign Minister exposed more clearly his anti-dialogue, anti-peace and anti-reunification color, and showed that the South Korean puppets do not want the improvement of relations with us and are not interested in durable peace on the Korean peninsula.

The Kim Yong-sam group should better stop committing a rash and unreasonable act.

South 'Forced' To Buy Radar Systems From U.S.

SK2409082995 Pyongyang KCNA in English
0813 GMT 24 Sep 95

["Treacherous Purchase of Military Equipment" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, September 24 (KCNA) — The South Korean puppet clique has decided to purchase anti-artillery radar systems under the pressure of the United States, according to a radio report from Seoul.

This equipment has been so far stored in the U.S. Ordnance Department, as it proved useless in a performance test between the puppet clique and the United States.

However, the United States unilaterally forced the puppets to buy the radar units worth of 72,500 million won.

This shows that owing to the puppet clique's flunkeyist treachery, South Korea has been turning into a dumping ground for surplus arms of the U.S.

South Protests U.S. 'Pressure' on Market

*SK2409083495 Pyongyang KCNA in English
0807 GMT 24 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 24 (KCNA) — About 100 members of the preparatory committee of the General Federation of Automobile Trade Unions of South Korea staged a protest against the U.S. pressure on market opening on Thursday [21 September], a radio report from Seoul said.

The protesters went to the U.S. Embassy in Seoul, at which they denounced the pressure as an unreasonable highhandedness of the super power. And they strongly demanded an immediate halt to it, contending that the opening of market will result in a total bankruptcy of South Korean automobile industry.

Planned Arrest of Visiting South Students Viewed

*SK2309113695 Pyongyang KCNA in English
1038 GMT 23 Sep 95*

["Anti-Reunification Criminal Act Precipitating Self-Destruction" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, September 23 (KCNA) — The Kim Yong-sam group let the "Agency for National Security Planning [NSP]" apply for a prior warrant for the arrest of students Chong Min-chu and Yi Hye-chong who are visiting the northern half of Korea as delegates of the South Korean Federation of General Student Councils (Hanchongnyon). This is one more unpardonable anti-reunification act and it invites the surging indignation of the 70 million fellow countrymen, says MINJU CHOSON in a signed commentary today.

It is too clear that the just behavior of the Hanchongnyon delegates who contributed to making the grand national reunification festival a grand reunification festival common to the nation can never be a target of suppression, the paper stresses, and goes on:

The application for a warrant for the arrest of the Hanchongnyon delegates is to block the reunification movement of South Korean students and people which is gaining momentum after their visit to Pyongyang and to worsen North-South relations to keep division.

It has been clearly verified that the Kim Yong-sam group, which has arrested "grandma of reunification" Pak Yong-kil for the reason that she visited the northern half of Korea and is now running wild to suppress even young students Chong Min-chu and Yi Hye-chong, is a cancerous being which should be removed as early as possible for the reunification of the country.

If the Kim Yong-sam clique continues suppressing the patriotic reunification champions and keeps the "National Security Law" and the "Agency for National Security Planning", it will never be pardoned by the nation.

South Ship Crewmen Confess to 'Illegal Intrusion'

*SK2509103495 Pyongyang KCNA in English
1024 GMT 25 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 25 (KCNA) — Crewmen of the South Korean ship "86 Usong" at a press conference here today confessed their illegal intrusion and admitted that they should be sternly punished under the law of the DPRK for the unpardonable crime.

The ship was apprehended by a naval patrol boat of the Korean People's Army after intruding deep into the territorial waters of the North side on the West Sea on May 30.

The eight-men crew of the "86 Usong" belongs to the Usong Fisheries Company in Inchon.

The ship tried to flee despite a warning signal of the KPA patrol boat before being apprehended.

The master of the ship, Pak Chae-yol, told reporters how they intruded into the territorial waters of the DPRK.

"I frankly admit that the wreckage of the '86 Usong' and the casualty were attributable to our reckless attempt to flee on the orders of the South Korean authorities," he said. "During our stay in the DPRK, we came to know how criminal the false propaganda of the South Korean rulers was and how ignorant we had been."

"I frankly confess that the '86 Usong' committed a crime by refusing to comply with the just demand of the North after intruding deep into the territorial waters of the DPRK," he said, adding that he and the South Korean authorities are wholly to blame for the crime.

Russian Women Describe South as 'Veritable Hell'

*SK2309152395 Pyongyang KCNA in English
1510 GMT 23 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 23 (KCNA) — Russian women, who were dragged into

Seoul by a group of the International Human Traffic Agency of South Korea, said that they made their life a hell during the 20 days they spent in South Korea, according to a South Korean newspaper.

Tanya of 20 and three other Russian women residing in Vladivostok and other areas were lured to Seoul on August 26 by the group of the International Human Traffic Agency who pretended to "help them get a job" and witnessed at first hand the reality of South Korea. When they protested against the attempt to sell them to a bar, they were heavily assaulted in solitary rooms.

Those women fortunately saved their lives and disclosed in detail to the world's public that South Korean society is a veritable hell.

South Christian Group Demands Priest's Release

SK2409093695 Pyongyang KCNA in English
0804 GMT 24 Sep 95

[FBIS Transcribed Text] Pyongyang, September 24 (KCNA) — The Women Committee of the Council of Christian Churches of South Korea presented to the traitor Kim Yong-sam a document demanding the release of Pak Yong-kil on Friday [22 September], according to a radio report from Seoul.

Describing Mrs. Pak's Pyongyang visit as a righteous deed, this organization strongly demanded that the aged woman who is suffering from a serious illness be released to go under care of her family.

Radio on Protests Over Kwangju Incident Cited

SK2409093895 Pyongyang KCNA in English
0806 GMT 24 Sep 95

[FBIS Transcribed Text] Pyongyang, September 24 (KCNA) — Over 200 students affiliated with the Kwangju and South Cholla Provincial Federation of General Student Councils of South Korea staged a fierce demonstration on Friday [22 September] in demand of the enactment of a special law to punish the chief culprits of the May 18 Kwangju massacre, a radio report from Seoul said.

Recently, voices urging the enactment of this law are growing among people of different circles in South Korea.

Daily Says Kim Yong-sam 'Worst Degenerate'

SK2309043295 Pyongyang KCNA in English
2216 GMT 22 Sep 95

["Human Rights Violations in S. Korea Under Fire" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, September 22 (KCNA) — It is only too natural that international human rights organisations and many countries should bitterly criticise the South Korean authorities' human rights violations and criminal atrocities, stresses MINJU CHOSON today.

The news analyst says:

These days the Kim Yong-sam group are criticised at home and abroad for their violation of human rights of unconverted long-term prisoners and prisoners of conscience as well as foreigners in South Korea and for their violation of labor rights of workers.

The fascist clique have kept many people behind bars, brutally tortured and persecuted them for scores of years for the mere reason that they refused "ideological conversion." Armed police even broke into churches and temples to disperse labor union leaders who were on strike for vital rights.

South Korean gangsters threw two Tanzanian oil-tanker crewmen into the Indian ocean swarming with sharks. They lured Russian girls with "tourism" to sell them to night clubs. There were also reports of violence and rape against Nepali workers in South Korea. The cases are innumerable.

Some time ago, an Indian businessman went to Seoul on trade mission but was interrogated for a long time and beaten on the head and the chest for no reason before he was deported. In this regard, the Indian authorities strongly demanded the puppet authorities of South Korea make an apology and pay a million dollars as damages.

Kim Yong-sam is the worst degenerate devoid of human ethics. Not content with misfortunes and sufferings inflicted on the South Korean people under his dictatorial rule, he is extending them to foreigners. He will come to a bad end, criticised and rejected at home and abroad.

'Struggle' in South on Kwangju Incident Noted

SK2209151295 Pyongyang KCNA in English
1505 GMT 22 Sep 95

[FBIS Transcribed Text] Pyongyang, September 22 (KCNA) — The struggle urging the punishment for those responsible for the May 15 Kwangju massacre is

growing among different circles of South Korea these days.

Over 400,000 people have participated, up to now, in the one million signature campaign which was launched by the May 18 People's Council, consisting of 60 odd civic and public organizations, in demand of the enactment of a special law, according to a CBS report from Seoul. And the Catholic Priests Association for Justice and the Catholic Kwangju Archdiocese Commission for Justice and Peace have collected signatures from 120,000 people since they launched a signature campaign calling for the enactment of a special law and the introduction of a special prosecution system.

Students across South Korea are going on a hunger strike in demand of the enactment of the law. Students of 40 odd universities in Seoul decided to enter a school strike all at once on September 29 and 30.

5,000 teachers of some 90 universities published a statement and even 90 odd delegates of the conservative Kwangju Hyanggyo urged a lawsuit against the murderers.

The Joint Youth Council for the Punishment of the Chief Culprits of the May 18 Massacre, which consists of thirteen organizations including the fellow society of Chondaehyop, went into a sit-in in demand of the enactment of a special law, a radio report from Seoul said.

The South Korean Federation of General Student Councils decided to call its Central Committee meeting with the attendance of 10,000 students including chairmen of general student councils of 224 universities and colleges across South Korea, and to stage a school strike for the punishment of the murderers on September 25 and 26.

Daily Warns Japan Against 'Nuclear Armament'

*SK2309054095 Pyongyang KCNA in English
0502 GMT 23 Sep 95*

["Japan Urged To Discard Double-Faced Position" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, September 23 (KCNA) — The Japanese reactionaries, who are making impressions that they object to nuclear arms development, are loudly talking about the non-existent "nuclear threat by North Korea" to cover up their criminal nuclear armament. Japan must discard its double-faced position.

NODONG SINMUN says this in a commentary today.

It is Japan's nuclear policy to set its face against nuclear weapons outwardly but push ahead with nuclear armament in actuality.

Japan has joined the ranks of nuclear powers step by step under the non-nuclear slogan. The Japanese reactionaries' outcries over "North Korea's nuclear threat" are mainly aimed at inventing a pretext in a far-fetched way to turn Japan into a military power equipped with nuclear arms and realise its reinvasion design at any cost.

They intend to launch reinvasion in Korea. This is why the Japanese military has expanded "military exchange and cooperation" with the South Korean puppets, going ahead with arms buildup. In this way, they seek to foster the South Korean puppets' war hysterics against the North and use them as the guide in the reinvasion of Korea.

Japan's nuclear armament will bring it to destruction. And its double-faced position in the nuclear issue will result only in putting it into hot water.

Japan-Korea Friendship Group Head Interviewed

*SK2309151395 Pyongyang KCNA in English
1504 GMT 23 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 23 (KCNA) — Korea should be reunified at an early date on the basis of the three principles of independence, peaceful reunification and great national unity, which were agreed upon jointly by the North and the South, said Chin Ohara, acting chairman of the Matsumoto City People's Council for Japan-Korea Friendship.

In an interview with KCNA here he said, "The urgent problem at present is that Japan, on the basis of the joint declaration of the three parties of Japan and Korea published on September 28, 1990, apologizes and makes an adequate compensation for the immeasurable misfortunes it inflicted upon the Korean people during its colonial rule as well as for the crimes it has committed for the division of Korea for 50 years after the war."

"And abnormal situation between the two countries should be removed and diplomatic relations established as soon as possible," he added.

He said that the Japanese Government should provide the Korean residents in Japan with national rights, human rights and legal status.

Japan Criticized on Nuclear Issue Position

*SK2409100795 Pyongyang Korean Central
Broadcasting Network in Korean
1225 GMT 23 Sep 95*

[NODONG SINMUN 23 Sep commentary: "Japan Should Abandon its Double-Faced Attitude"]

[FBIS Translated Text] The Japanese reactionaries are strengthening military exchange and cooperation with the South Korean puppets by accelerating the defensive capability preparation under the pretext that we pose a nuclear threat.

While acting as if they are opposed to nuclear weapons, the Japanese reactionaries are attempting to cover up their criminal nuclear armament by talking about the nonexistent nuclear threat posed by us. Japan has stockpiled a considerable amount of plutonium and has made all material and technical preparations so that it is capable of producing nuclear weapons.

While accelerating the nuclear armament, the Japanese reactionaries are strengthening military exchange and cooperation with the South Korean puppets. The Japanese reactionaries have recently announced that they will send a Japanese Self-defense Navy warship to South Korea in April 1996 returning the South Korean puppet warship's visit to Japan late last year.

The Japanese reactionaries have kicked off commotions by talking about defensive capability preparation or military exchange and cooperation under the pretext of a nuclear threat posed by us. This is nothing but a trickery aimed at justifying the plots for their nuclear armaments and overseas expansion. No Asian countries threaten Japan today.

Japan's magazine GUNJI MINRON (Public Opinion of Military Affairs) reported that in many ways, there is no reason for Japan to be invaded or threatened by other countries. Nevertheless, the Japanese reactionaries are hastily making an attempt to strengthen the military tie-up with the South Korean puppets, while accelerating the nuclear armament. Japan intends to become a nuclear and military power and, thus, with its own might, to achieve its overseas expansion ambition.

The Japanese reactionaries are frequently babbling about someone's nuclear threat or the ban of the nuclear test, but their acts differ from what they say during the discussion on the legitimacy of the use of nuclear weapons and on the removal of nuclear weapons.

It is well known that since the eighties, Japan has expressed its opposition or abstained from voting in resolving major nuclear disarmament, and also expressed

that it would intended to oppose the demand of the International Court of Justice concerning the illegality of using nuclear weapons. This is Japan's double-dealing nuclear policy.

The Japanese reactionaries have always assumed the double-faced position and attitude concerning the nuclear issue. It is the essence of Japan's nuclear policy to set its face against nuclear weapons outwardly but push ahead with nuclear armament in actuality. In addition, it is the true aspect of Japan which joins the ranks of nuclear powers step by step under the non-nuclear slogan.

As is known, the DPRK-U.S. agreement on the nuclear issue has reached and, also, it is in a stage of implementation. Therefore, there is no reason or condition for Japan to talk about a nuclear threat posed by us. Nevertheless, the Japanese reactionaries are kicking off the commotion of nuclear threat, while continuing to commit bad acts. This is mainly aimed at inventing a pretext in a far-fetched way to turn Japan into a military power equipped with nuclear arms and realize its reinvasion design at any cost.

It intends to launch reinvasion in Korea. This is why the Japanese military leadership has recently extended its military exchange and cooperation with the South Korean puppets, going ahead with arms buildup. In this way, it seeks to foster the South Korean puppets' war hysterics against the North and use them as the guide in the reinvasion of Korea.

As shown by the above-mentioned facts, Japan becomes a hotbed of dangerous invasion and war in Asia. Japan's nuclear armament will bring it to destruction. Japan's double-faced attitude in the nuclear issue will only put it into more difficult situations. Japan should abandon the double-faced attitude.

CPC Sends Condolences on Yi Chin-kyu's Death

*SK2209063795 Pyongyang KCNA in English
0458 GMT 22 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 22 (KCNA) — The DPRK Central People's Committee [CPC] on Thursday sent a message of condolence to Han Tok-su, chairman of the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon), on the death of Yi Chin-kyu, deputy to the DPRK Supreme People's Assembly and first vice-chairman of the Chongnyon Central Standing Committee. He died of an illness on that same day.

The message said Comrade Yi Chin-kyu was an elder of Chongnyon, resolute veteran revolutionary, chuchetype patriot and loyal subject and true son of the

homeland who devoted his whole life to strengthening and development of the movement of Koreans in Japan and reunification and prosperity of the country with invariable loyalty to the great leader President Kim Il-song and respected General Kim Chong-il under difficult circumstances in an alien land ever since the liberation of the country.

His patriotic loyalty to the movement of the Koreans in Japan and the socialist motherland will always be remembered, the message said, expressing the belief that Chongnyon officials and the bereaved family of the deceased would overcome the sorrow and more vigorously conduct patriotic work of Chongnyon under the wise leadership of General Kim Chong-il, true to the behests of President Kim Il-song.

Koreans Mark First Chusok Since Kim's Death

*SK2209050195 Pyongyang KCNA in English
0435 GMT 22 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 22 (KCNA) — The Chusok ceremony (mid-autumn festival) was sponsored by the Federation of Korean Young Citizens in China at the Yuwen Middle School in Jilin, China, on September 9 on the occasion of the first anniversary of the death of the great leader President Kim Il-song.

Present at the ceremony were Yang Yong-dong, chairman of the General Federation of Korean Citizens in China, members of the Federation of Korean Young Citizens in China from different areas and branches of China and compatriots in Jilin.

A delegation of the North side headquarters of the National Alliance of Youth and Students for the Country's Reunification (Pomchonghangnyon) headed by its Chairman Ho Chang-cho was present there.

Participants laid floral baskets and bouquets and made bows before the statue of President Kim Il-song at the school.

Yu Chang-hwan, chairman of the Federation of Korean Young Citizens in China, made a speech at the ceremony which began with a chorus "Song of General Kim Il-song".

He said:

The idea of respected Generalissimo Kim Il-song permeates the Yuwen Middle School in Jilin and other revolutionary sites in China and remains an eternal spirit in the hearts of Korean citizens, youth and students in China.

The important task of the entire members of the Federation of Korean Young Citizens in China at

present is to hold the great leader Comrade Kim Chong-il in high esteem and remain loyal to his leadership.

The young Korean citizens should prepare themselves to be patriotic fighters who devote all the strength, energies and wisdom of youth to achieving the prosperity of the socialist homeland and reunification by means of confederacy in the 90s with the firm conviction that the socialist cause of the homeland is invincible as long as it is led by respected General Kim Chong-il.

The speaker called for holding the great leader Comrade Kim Chong-il, their destiny and future, in high esteem and striving hard for the prosperity of their country, their motherland, with the pride of being Korean youth, members of the Kim Il-song nation.

The ceremony was addressed by the chairman of the North side headquarters of Pomchonghangnyon and representatives from Jilin and Hunchun areas.

A letter of pledge to General Kim Chong-il was adopted at the ceremony.

PRC Defense Minister Meets KPA Group

*SK2309043095 Pyongyang Korean Central
Broadcasting Network in Korean
1300 GMT 22 Sep 95*

[FBIS Translated Text] On 21 September, Lieutenant General Chi Haotian, member of the PRC State Council and minister of the Ministry of National Defense, met with a Korean People's Army delegation of logistics functionaries led by Colonel General Hyon Chol-hae which is now visiting the PRC. Attending the meeting were (Zuo Jiatang), deputy director of the General Logistics Bureau of the People's Liberation Army; Yang Chengyu, chief of staff of the General Logistics Bureau; relevant officials; delegation members; the DPRK ambassador to the PRC and the military attache at the DPRK Embassy.

During the meeting, the PRC national defense minister warmly welcomed the delegation's visit, saying: This year is a significant year of greeting the 50th anniversary of the Chinese people's victory in their anti-Japanese struggle, the 50th anniversary of the liberation of Korea, and the 50th anniversary of the founding of the Workers' Party of Korea [WPK]. I feel closer to the delegation because we are meeting under such circumstances. The friendship between the PRC and DPRK people is the friendship personally forged by Comrade Mao Zedong, the great leader of the Chinese people, and Comrade Kim Il-song, the great leader of the Korean people. Over 40 years have passed since the end of the Korean war, but the friendship between the

people of the two countries and between the armies of the two countries has developed constantly.

Under the leadership of the CPC led by Comrade Jiang Zemin, and the leadership of the WPK headed by Comrade Kim Chong-il, the revolutionary friendship between the people and armies of the two countries is developing more firmly.

President Kim Il-song, who was the great leader of the Korean people and the great friend of the Chinese people, suddenly passed away last year. We were very saddened by this. We are convinced that the Korean people will further glorify the traditional friendship between the PRC and DPRK, as it has in the past, by turning sorrow into strength, and that they will overcome obstacles laid before them on the road of advance, by firmly uniting around Comrade Kim Chong-il, the great leader [yongdoja] of the Korean people, thus winning victory and victory in their work.

It is of most important to adhere to the socialist cause achieved by the old-generation revolutionaries of the two countries, to defend the country's security, and to secure peace in Asia and the rest of the world.

Russian Group To Celebrate WPK Anniversary

SK2309114595 Pyongyang KCNA in English
1044 GMT 23 Sep 95

[FBIS Transcribed Text] Pyongyang, September 23 (KCNA) — The Russian Association for Friendship and Cultural Cooperation with the DPRK published a statement on September 14 in which it expressed the resolution to significantly celebrate the 50th anniversary of the foundation of the Workers' Party of Korea [WPK] (October 10, 1945).

The statement said, "The 50th birthday of the WPK is a great holiday not only of the Korean people but also of the international communist movement and, furthermore, of all the progressive forces in our planet."

According to it, the association set the period from September 18 to October 10 as a period for celebrating the WPK's birthday and will significantly organize celebrations in the period.

Included in the colourful celebration functions will be a meeting, a photo exhibition, a film show, a gathering for explaining the history of the WPK among the young people, and active introduction of and propaganda on the WPK through media.

SPA Chairman Meets Cuban Delegation

SK2209103895 Pyongyang KCNA in English
1019 GMT 22 Sep 95

[FBIS Transcribed Text] Pyongyang, September 22 (KCNA) — Yang Hyong-sop, chairman of the Supreme People's Assembly [SPA] of the DPRK, today met and had a friendly talk with the visiting delegation of the National Assembly of People's Power of Cuba led by Jorge Lezcano Perez, Politburo member of the C. C. [Central Committee], the Communist Party of Cuba and chairman of the Foreign Affairs Committee of the National Assembly, at the Mansudae Assembly Hall.

Present there were Yi Mong-ho, secretary of the Standing Committee of the SPA, and the Cuban ambassador to Korea, Jose Ramon Rodriguez Varona.

Yi Chong-ok Meets With Cuban, Guinean Groups

SK2209151995 Pyongyang KCNA in English
1512 GMT 22 Sep 95

[FBIS Transcribed Text] Pyongyang, September 22 (KCNA) — Vice-president Yi Chong-ok met and had a friendly talk with the visiting delegation of the National Assembly of People's Power of Cuba led by Jorge Lezcano Perez, Politburo member of the C.C. [Central Committee], Communist Party of Cuba and chairman of the Foreign Affairs Committee of the National Assembly, at the Mansudae Assembly Hall today.

Present there were Yi Mong-ho, secretary of the Standing Committee of the Supreme People's Assembly, and Jose Ramon Rodriguez Varona, Cuban ambassador to Korea.

Vice-president Yi Chong-ok also met and had a friendly talk with the Guinean Government delegation led by Yvone Conte, minister of women and children.

Kim Chong-il Named 'Honorary Academician'

SK2209052095 Pyongyang KCNA in English
0442 GMT 22 Sep 95

[FBIS Transcribed Text] Pyongyang, September 22 (KCNA) — The Russian Academy of Natural Sciences has elected the great leader Comrade Kim Chong-il as its honorary academician on the occasion of the 50th anniversary of the Workers' Party of Korea.

A ceremony took place in Moscow on Monday to convey a certificate of honorary academician, a gold medal for scientific inventor and its diploma of the academy, which were awarded to Comrade Kim Chong-il.

A letter addressed to Comrade Kim Chong-il and the certificate, medal and its diploma were handed to the Korean ambassador there by President of the Academy Oleg Kuznetsov.

The certificate reads:

"The Academy of Natural Sciences of the All Russian Union of Science and Nature register Comrade Kim Chong-il, the leader of the Democratic People's Republic of Korea, as its honorary academician, on the basis of the rules of the academy. September 11, 1995."

Written on the diploma are the following words:

"The standing committee of the Academy of Natural Sciences, according to the September 11, 1995, decision, awards to Comrade Kim Chong-il, who is the leader of the Democratic People's Republic of Korea and is an honorary academician of the academy of natural sciences, its commemorative medal 'scientific inventor', in appreciation of his enormous contributions to the development of the chuche idea. Registration No. 1."

Jordanian Parliamentary Delegation Arrives

*SK2309120295 Pyongyang KCNA in English
1049 GMT 23 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 23 (KCNA) — A parliamentary delegation of the Hashemite Kingdom of Jordan headed by Sa'd al-Surur, speaker of the House of Representatives, arrived in Pyongyang today for a visit to Korea on the invitation of the Supreme People's Assembly of the Democratic People's Republic of Korea.

The delegation was met at the airport by Chairman Yang Hyong-sop and Secretary of the Standing Committee Yi Mong-ho of the Supreme People's Assembly and officials concerned.

SPA Chairman Meets Group

*SK2309214395 Pyongyang KCNA in English
1516 GMT 23 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 23 (KCNA) — Chairman Yang Hyong-sop of the Supreme People's Assembly (SPA) today met and had a friendly talk at the Mansudae Assembly Hall with a parliamentary delegation of the Hashemite Kingdom of Jordan headed by Saad al-Sroor, speaker of the House of Representatives, when the latter paid a courtesy call on him.

Present on the occasion was Secretary Yi Mong-ho of the Standing Committee of the SPA.

Talks Held at Mansudae

*SK2509060095 Pyongyang KCNA in English
0451 GMT 25 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 25 (KCNA) — Talks were held Sunday at the Mansudae Assembly Hall between the delegation of the Supreme People's Assembly of the Democratic People's Republic of Korea and the parliamentary delegation of Jordan.

Present at the talks on the Korean side were Chairman of the Supreme People's Assembly Yang Hyong-sop, Secretary General of its Standing Committee Yi Mong-ho and Vice-chairman of its Foreign Affairs Committee Kim Yong-ho and officials concerned, and on the opposite side were the members of the delegation led by Speaker of the House of Representatives Sa'd al Surur.

The sides discussed the question of developing the friendly relations between the two countries, the two peoples and the two parliaments and exchanged views on a series of questions of mutual concern.

Parliamentary Delegation Feted

*SK2409102395 Pyongyang KCNA in English
0832 GMT 24 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 24 (KCNA) — The Standing Committee of the Supreme People's Assembly (SPA) gave a reception for the visiting parliamentary delegation of Jordan led by Speaker Sa'd al-Surur at the Mansudae Assembly Hall on Saturday.

Addressing the reception, the chairman of the SPA, Yang Hyong-sop, said Korea and Jordan are far apart geographically, though they have established and developed, long since, good relations of friendship and cooperation out of the common aspiration and desire to build a new society, independent, peaceful and prosperous.

"The government and people of Jordan," he said, "are energetically working to develop the nation's economy and ensure a more stable and civilized material and cultural life and registering splendid success in the course of performing the 5-year plan for social and economic development under the correct leadership of respected His Majesty King Husayn." He added that "Korea wish a greater progress to Jordan in the future."

He highly appreciated the government and the people of Jordan in their efforts for attaining unity of the Arab nations and for a fair and peaceful solution to Mideast problem.

Speaker Sa'd al-Surur spoke next:

Successes scored in Korea are results of the wise leadership of His Excellency President Kim Il-song and His Excellency Kim Chong-il, he said, adding: "We are visiting Korea to learn from the experience made in the course of registering successes."

The parliament and the people of Jordan will exert all efforts to further develop the friendly relations forged between Jordan and Korea, he said, and wished the Korean people greater success in the future.

Delegation Visits Kim Il-song Statue

SK2409101095 *Pyongyang KCNA in English*
0817 GMT 24 Sep 95

[FBIS Transcribed Text] Pyongyang, September 24 (KCNA) — A parliamentary delegation of Jordan led by Speaker of the House of Representatives Sa'd al-Surur on Saturday laid a floral basket and made a bow before the statue of the great leader President Kim Il-song on Mansu Hill.

It was accompanied by Chairman of the Supreme People's Assembly [SPA] Yang Hyong-sop and Vice-Chairman of the SPA Foreign Affairs Committee Kim Yong-ho.

Group Visits Palace

SK2509061595 *Pyongyang KCNA in English*
0457 GMT 25 Sep 95

[FBIS Transcribed Text] Pyongyang, September 25 (KCNA) — The visiting parliamentary delegation of Jordan led by Speaker of the House of Representatives Sa'd al Surur visited Sunday Kumsusan Memorial Palace where the great leader President Kim Il-song is preserved in state, and made a deep bow to him.

It was accompanied by Chairman Yang Hyong-sop of the Supreme People's Assembly and officials concerned.

The head of the delegation wrote in a visitor's book that the brilliant feats of the great President Kim Il-song will remain forever in the hearts of the Korean people as well as the world people.

Palestinian Delegation Visits Kim Il-song Statue

SK2509060495 *Pyongyang KCNA in English*
0459 GMT 25 Sep 95

[FBIS Transcribed Text] Pyongyang, September 25 (KCNA) — A delegation of the Palestine Liberation Democratic Front led by its Secretary General Nayif Hawatmeh visited the statue of the great leader President Kim Il-song on Mansu Hill on Sunday to lay a bouquet and make a bow.

The delegation arrived here on the same day.

Foreign Minister Meets Egyptian, Rwandan Envoys

SK2209152495 *Pyongyang KCNA in English*
1513 GMT 22 Sep 95

[FBIS Transcribed Text] Pyongyang, September 22 (KCNA) — Vice-premier and Foreign Minister Kim Yong-nam today met and had talks respectively with new Egyptian Ambassador to Korea Hazim Muhammed Tahir and Rwandan Ambassador to Korea Rugaba Silas, who paid courtesy calls on him.

Malaysian Military Delegation Leaves 23 Sep

SK2309214295 *Pyongyang KCNA in English*
1512 GMT 23 Sep 95

[FBIS Transcribed Text] Pyongyang, September 23 (KCNA) — The Malaysian military delegation led by General Tansri Datuk Ismail bin Haji Omar, chief of Defence Forces, left here today.

A farewell ceremony for the delegation took place at the airport.

It was seen off at the airport by Choe Kwang, chief of the General Staff of the Korean People's Army [KPA], and officials concerned.

During its stay in Korea the delegation visited Mangyongdae and Kim Il-song Military University, inspected Pyongyang Metro and the West Sea barrage and called at units of the KPA.

Rwandan Ambassador Presents Credentials

SK2309214595 *Pyongyang KCNA in English*
1513 GMT 23 Sep 95

[FBIS Transcribed Text] Pyongyang, September 23 (KCNA) — Vice-President Pak Song-chol today received credentials from Rugaba Silas, newly appointed ambassador E.P. [extraordinary and plenipotentiary] of Rwanda to Korea, at the Mansudae Assembly Hall.

The vice president had a talk with the ambassador after receiving the credentials.

Chon Yon-ok Attends Malian Independence Meeting

SK2209060495 *Pyongyang KCNA in English*
0448 GMT 22 Sep 95

[FBIS Transcribed Text] Pyongyang, September 22 (KCNA) — A meeting was held here on Thursday under the sponsorship of the Korea-Mali Friendship Association on the 35th anniversary of the proclamation of the Republic of Mali.

Present there were Chon Yon-ok, vice-chairperson of the Committee for Cultural Relations With Foreign

Countries and concurrently vice-chairperson of the association, and other officials concerned and working people in the city.

A speech was made and a message of greetings to the Malian president adopted at the meeting.

South Asian Communists Applaud Korean Socialism

*SK1909113495 Pyongyang KCNA in English
1012 GMT 19 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 19 (KCNA) — Party leaders of different countries met with a delegation of the Workers' Party of Korea led by Kim Yang-kon, vice-director of a department of the WPK Central Committee.

Dilip Barua, general secretary of the C.C. [Central Committee], Communist Party of Bangladesh (Marxist-Leninist), said on the occasion: The great leader Comrade Kim Il-song and the great leader Comrade Kim Chong-il who have defended and developed socialism, are a symbol of struggle for all of us.

We are convinced that Korean socialism will successfully be accomplished as Comrade Kim Chong-il is carrying forward the revolutionary cause of Comrade Kim Il-song, he added.

Rashid Khan Menon, general secretary of the C.C., Workers' Party of Bangladesh, extended warm congratulations to the WPK on its 50th birthday, saying its history is the glorious history woven with the brilliant victories in the revolution and construction of socialism.

H.S. Surjeet, general secretary of the C.C., Communist Party of India (Marxist), said that the WPK, under the wise guidance of the great leader Comrade Kim Chong-il, has struggled to defend socialism and maintain independence and thus won the victory, repulsing all moves of the U.S. and other imperialists.

Led by the great leader Comrade Kim Chong-il, the WPK and the Korean people are creditably carrying to accomplishment the revolutionary cause pioneered by the great leader Comrade Kim Il-song, he said.

Newly Appointed Envoy Meets Macedonian President

*SK2109133495 Pyongyang Korean Central
Broadcasting Network in Korean
1300 GMT 19 Sep 95*

[FBIS Translated Text] On 12 September, Kim Won-ho, our country's newly-appointed ambassador extraordinary and plenipotentiary to Macedonia, presented credentials to this country's President Kiro Gligorov.

In the meeting, the ambassador conveyed greetings from the great leader [yongdoja] Comrade Kim Chong-il to President Kiro Gligorov. The president expressed deep gratitude for this and asked the ambassador to convey his heartfelt greetings to the great leader [yongdoja] Comrade Kim Chong-il.

The president said as follows: During my visit to the DPRK, I had the honor of meeting President Kim Il-song. I personally felt at that time the DPRK people boundlessly respected and admired him. President Kim Il-song's death is a big loss to the DPRK people. President Kim Il-song gave the immortal *chuche* idea to the DPRK people. This is one of the greatest achievements accomplished by him. Today, your country is directing big efforts to peacefully solve the issue of the country's reunification as indicated by President Kim Il-song. We hope the DPRK people's aspiration to live under a reunified country will be realized as soon as possible. I am especially delighted over the fact that your country is abiding by the principle of taking responsibility of its destiny and pioneering it by itself in its policy at home and abroad. This principle is the most just one that should be applied by all the countries in their foreign relations. We truly wish His Excellency Kim Chong-il a great success in his work for the happiness of the friendly DPRK people and the prosperity and enrichment of the country.

Newly Appointed Envoy Meets Mauritian President

*SK2109132895 Pyongyang Korean Central
Broadcasting Network in Korean
1300 GMT 19 Sep 95*

[FBIS Translated Text] On 13 September, Yi Hyong-yon, our country's newly-appointed ambassador extraordinary and plenipotentiary to Mauritius, presented credentials to this country's President Cassam Uteem.

In the meeting, the ambassador conveyed greetings from the great leader [yongdoja] Comrade Kim Chong-il to President Cassam Uteem. The president expressed deep gratitude for this and asked the ambassador to convey his heartfelt greetings to the great leader [yongdoja] Comrade Kim Chong-il.

The president said he and all the Mauritian people are filled with sorrow over the death of His Excellency President Kim Il-song, the world's most prominent and great leader.

Pointing out that Mauritius values the friendly and cooperative relations with the DPRK, he emphasized as follows: We are delighted over the fact that the great leader [Yongdoja] His Excellency Kim Chong-il has brilliantly inherited the great leader's [suryong]

revolutionary feats and is wisely leading the DPRK people. We firmly believe that the DPRK people will achieve a greater success in their struggle to achieve the country's prosperity and the national reunification under the great leader [yongdoja] His Excellency Kim Chong-il. I, along with the Mauritian Government and people, will invariably support the DPRK people's cause for national reunification. I wish the great leader [yongdoja] His Excellency Kim Chong-il good health and a great success in his noble work for the prosperity of the DPRK and the DPRK people's welfare.

International Groups Try To Help Flood Victims

SK2309112995 Pyongyang KCNA in English
1057 GMT 23 Sep 95

["International Assistance to Flood Sufferers Under Way" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, September 23 (KCNA) — Fact-finding groups from different international organizations and countries visited the Democratic People's Republic of Korea to survey flood damages from the end of August to mid-September.

A delegation of the Swiss Foreign Ministry and the fact-finding groups of the United Nations Department of Humanitarian Affairs, the World Food Program, the UN Food and Agriculture Organization, the UN Children's Fund, the World Health Organization, the League of Red Cross and Red Crescent Societies, Caritas (social service agency), Doctor Without Frontier and the Adventist Development and Relief Agency International of the United States unanimously confirmed that the recent floods biggest ever in one hundred years caused landslides and the collapse of storage dams in some areas which entailed heavy damages including the destruction of dwelling houses and infrastructure facilities and emergency aid is needed.

The fact-finding groups inspected some areas by helicopter, train or car and expressed satisfaction at the DPRK Government's sincere help for their survey.

There was a meeting at the building of the UN Secretariat in Geneva on September 12 where the UN Department of Humanitarian Affairs reported on the UN activities concerning the floods in the DPRK. The meeting was participated by delegates of Switzerland, China, the United States, Britain, Australia, Indonesia and other countries and the World Food Program, the League of Red Cross and Red Crescent Societies and many other governmental and non-governmental organizations.

All the delegates of the international organizations which dispatched fact-finding groups reported on the results of their survey, considering the DPRK's floods

very serious and calling for priority to be given to food assistance.

At the meeting the UN Department of Humanitarian affairs called on five UN organizations and special organizations to render dlr 15,720,000 in aid to the DPRK.

The Danish, the U.S., German, Norwegian, Pakistani, British, Australian and Finnish and Swiss Governments and the UN Department of Humanitarian Affairs, the World Food Program, the World Health Organization, UNESCO, the UN Children's Fund, the UN Population Fund, the UN Development Program [UNDP] and other UN organizations, the League of Red Cross and Red Crescent Societies, Caritas, Doctor Without Frontier, the Chinese Red Cross Society, the Sasakawa Foundation of Japan, the American Aid of the United States and the National Council of the Churches of Christ in the United States and many other non-governmental bodies and organizations announced that they would offer donations as early as possible.

The first batch of relief goods sent by international organizations to flood sufferers arrived in Sinuiju on September 15 by international train. The UN resident coordinator and UNDP resident representative, G. Faruq Achikzad [name as received], went to the city on the 18th for acceptance and distribution of the relief goods.

Kim Chong-il Thanks Workers Moving to Rural Areas

SK2509025995 Pyongyang Korean Central
Broadcasting Network in Korean
2100 GMT 22 Sep 95

[FBIS Translated Text] Comrade Kim Chong-il, the great leader [yongdoja] of our party and people and the supreme commander of the Korean People's Army [KPA], sent thanks to Kim Sang-kun, section chief of the Panmun County Party Committee, and his family; Han Yong-kyu, director of the production company where Comrade Paek Yong-son works, and his family; Kim In-ho, functionary of the KPA unit to which Comrade Hong Kil-yon belongs, and his wife; Yi Kwang-un, Pak Tae-il, and Kim Myong-ok, officers of the Hoechang County Security Department; Yi Sunnam, employee of the KPA unit to which Comrade Pak Wan-kum belongs, and his wife; and Cho Ki-chun, worker of the KPA unit to which Comrade Han Kinam belongs, and his family for voluntarily venturing to socialist rural areas.

Meetings to deliver KPA Supreme Commander Comrade Kim Chong-il's thanks were held at the respective units.

Present at the meetings were the functionaries concerned, soldiers, public security workers, employees, and families.

In the meetings, the respected and beloved comrade supreme commander's thanks were delivered amid the participants' enthusiastic applause. Discussions followed.

Letters of pledge and resolution were adopted in the meetings.

Kim Chong-il Thanks Those Moving to Rural Areas

*SK2309045895 Pyongyang KCNA in English
0421 GMT 23 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 23 (KCNA) — The great leader Comrade Kim Chong-il sent thanks to officials of the Korea machinery group, medical workers of the Nampo municipal people's hospital and the Yanggang provincial dental preventive centre and Pak Un-ok and 17 other students of 6-2 class of the Yangji senior middle school, Pyongsong City, South Pyongan Province, who did good things for society and the collective.

He also sent thanks to Kim Sang-kun, section chief of the Panmun County Party Committee in Kaesong, and his family, Yi Kwang-un, Pak Tae-il and Kim Myong-ok, officers of the Hoechang County Security Department in South Pyongan Province, Cho Ki-chun, a worker of the Han Ki-nam unit of the Korean People's Army, and his family and other officials and working people who actively helped the socialist countryside.

Kim Chong-il Conveys Thanks to Korean Residents

*SK2309051195 Pyongyang KCNA in English
0433 GMT 23 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 23 (KCNA) — A meeting was held at the DPRK Consulate General in Shenyang on September 4 to convey thanks the great leader Comrade Kim Chong-il sent to organizations of Korean residents in China for their contribution made to successfully holding the grand national reunification festival for celebrating the 50th anniversary of the country's liberation.

Present at the meeting were Consul General Han Chol, Chairman Yang Yong-tong and Vice-Chairman Chong Kak-hyon of the General Association of Korean Citizens in China (GAKCC), chairman of the Association of Korean Young Citizens in China (AKYCC) Yu Chang-hwan, Department Director of the Association of Korean Businessmen in China Choe Un-pok and other delegates of Korean citizens in China.

Comrade Kim Chong-il's thanks were conveyed there by the consul general.

Chief of the Liaoning branch of the GAKCC Hwang Yong-tu and AKYCC Chairman Yu Chang-hwan spoke at the meeting to express their resolution.

The speakers said that the warm love and benevolence of respected General Kim Chong-il is a deep political trust in and solicitude for the Korean citizens and youth and students in China and a precious spiritual wealth which gives great strength and courage to them in their patriotic activities.

They renewed their determination to hold the great leader Marshal Kim Chong-il in high esteem at the head of the revolution, true to the behest of the great leader Generalissimo Kim Il-song, and more vigorously turn out in the nationwide patriotic work to accomplish the cause of national reunification without fail in the '90s.

A letter of pledge to General Kim Chong-il was adopted at the meeting.

Kim Chong-il Sends Birthday Gifts to Officers

*SK2309051095 Pyongyang KCNA in English
0428 GMT 23 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 23 (KCNA) — The great leader Comrade Kim Chong-il sent sixtieth birthday tables to officers of the Korean People's Army who have faithfully discharged their military duty with weapons of the revolution in their hands from their youthful days.

The officers were Chong Myon-sik, Yi Tae-rim, Yi Yong-won, Chong Pong-yul of the Chong Nung-won unit, a labour hero Chon Tae-kun, Pak Pil-tong of the Kang Sang-won unit and Ki Son-hyong of the Song Kun-il unit.

The birthday tables were conveyed to them on Thursday.

The officers renewed their determination to continue serving the army with a youthful vigor, cherishing deep in mind the warm benevolence shown by respected supreme commander Comrade Kim Chong-il for them.

Kim Chong-il Receives Greetings From Abroad

*SK2509061095 Pyongyang KCNA in English
0502 GMT 25 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 25 (KCNA) — The great leader Comrade Kim Chong-il received telegrams of greetings from party leaders of different countries on the 47th anniversary of the Democratic People's Republic of Korea.

They came from President of the Pakistan Socialist Party C. R. Aslam, Co-leader of the Working People's Alliance of Guyana Rupert Roopnarine, Convenor of the C.C. [Central Committee], Socialist Party of Bangladesh A.F.M. Mahbubul Huq, general secretary of the C.C., Communist Party of Bangladesh Mujahdul Islam Selim, general secretary of the Central Executive Committee of the Bangladesh National Socialist Party Hasanul Huq Inu and president of the C.C., Communist Party of Venezuela Pedro Ortega Dias.

The telegrams extend heartfelt congratulations to Comrade Kim Chong-il on the national day and wish him a long life in good health.

They express the belief that the friendly and cooperative relations between their parties and the Workers' Party of Korea will grow stronger.

Telegrams of greetings to Comrade Kim Chong-il were also sent by the Central Executive Committee of the People's National Congress of Guyana and the leadership council of the Arab Islamic Democratic Movement of Jordan on the occasion of the 47th anniversary of the DPRK.

Kim Chong-il Receives Gift From Cuban Group

SK2309115595 Pyongyang KCNA in English
1046 GMT 23 Sep 95

[FBIS Transcribed Text] Pyongyang, September 23 (KCNA) — The great leader Comrade Kim Chong-il received a gift from the delegation of the National Assembly of People's Power of Cuba.

It was handed to Hwang Chang-yop, secretary of the Central Committee [C.C.] of the Workers' Party of Korea and chairman of the Foreign Affairs Committee of the Supreme People's Assembly, by Jorge Lezcano Perez, Politburo member of the C.C., the Communist Party of Cuba and chairman of the Foreign Affairs Committee of the National Assembly.

Kim Chong-il Receives Gift From Malaysia

SK2309115795 Pyongyang KCNA in English
1047 GMT 23 Sep 95

[FBIS Transcribed Text] Pyongyang, September 23 (KCNA) — The great leader Comrade Kim Chong-il received a gift from the chief of Defence Forces of Malaysia.

It was handed to Choe Kwang, chief of the General Staff of the Korean People's Army, by Tansri Datuk Ismail bin Haji Omar, chief of Defence Forces.

Kim Chong-il's Work Carried by Foreign Press

SK2409083995 Pyongyang KCNA in English
0803 GMT 24 Sep 95

[FBIS Transcribed Text] Pyongyang, September 24 (KCNA) — The great leader Comrade Kim Chong-il's famous work "Giving Priority to Ideological Work Is Essential for Accomplishing Socialism" was carried by the Pakistani paper MUSLIM, the Jordanian paper AL-ASWAQ, the Guyanese paper NEW NATION and the Nigerian paper NEW NIGERIAN.

The 16th issue of the Russian paper TRUDOVAYA RUSSIA carried an article explaining the work.

The paper introduced the main content of the work, stressing that the work of Comrade Kim Chong-il would, no doubt, play a big role in attaching more concreteness, conviction, militancy and effectiveness to the practical activities of Russian communists and party organisations.

Daily on Obligation of People To Uphold Kim Il-song

SK2409110995 Pyongyang KCNA in English
0840 GMT 24 Sep 95

["To Uphold Comrade Kim Il-song for All Ages — Noble Obligation of Korean People" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, September 24 (KCNA) — The Korean people miss the great leader Comrade Kim Il-song more deeply as the days go by and invariably hold him in high esteem with a loyal heart. This shows their noble revolutionary traits, says NODONG SINMUN today.

The paper quotes the great leader Comrade Kim Chong-il as saying:

"To uphold the great leader Comrade Kim Il-song with a loyal heart is the noblest duty and revolutionary obligation of our soldiers."

The author of the article continues:

The Korean people are determined to hold Comrade Kim Il-song in high esteem for all ages. Their noble sense of obligation can be seen in the fact that they uphold him as their eternal teacher, father and great benefactor.

Comrade Kim Il-song is the tender-hearted teacher of the Korean people.

He founded the immortal chuche idea, which holds the highest and most glorious position in the history of human thought, so that our chuche-type communist revolutionaries and people could have the only revolutionary

outlook on the world, precious ideological and moral pabulum.

He laid down a correct strategy and tactics in each period and at each stage of the revolution and construction so that the popular masses could have a definite goal of struggle and the way of attaining it. He gave them strength, courage and wisdom and led them to victory through manifold difficulties and trials.

The Korean people regard it as their noble moral obligation to uphold him as their eternal teacher who guided them to follow the road of worthwhile revolution and victory.

They are determined to fight under the red flag of revolution along the road indicated by him, no matter what fierce storm and stress may stand in the way of the revolution.

For the Korean people, Comrade Kim Il-song is their kind father and great benefactor, who bestowed the most precious political integrity on them, took warm care of them, opened the way of their rebirth and provided them with a most worthy life and happiness.

They always remember the exploits of the great Comrade Kim Il-song and hold him in high esteem with a loyal heart. A peerless patriot and the sun of the nation, he liberated the country and provided them with freedom, emancipation and true happiness, experiencing all sorts of bitter events all his life.

Their fine traits are comprehensively developing on a new mental and moral basis in the course of upholding Comrade Kim Il-song for all ages and following the leadership of respected Comrade Kim Chong-il.

The revolutionary Korean people, who know how to uphold their leaders and live up to the favors of the party and the leader with noblest mental and moral traits, will give fuller play to their revolutionary duty to Comrade Kim Il-song while making revolution under the leadership of Comrade Kim Chong-il.

Part Six of Documentary on Kim Il-song Released

*SK2109104595 Pyongyang KCNA in English
1016 GMT 21 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 21 (KCNA) — "The Great Leader Comrade Kim Il-song Will Always Be With Our People and Humankind," part 6 of the documentary film "The Great Leader Comrade Kim Il-song Is Immortal," has been released.

The film deals with ceremonies held at home and in many countries of the world to commemorate the first anniversary of the death of President Kim Il-song and a ceremony to open to the public Kumsusan Memorial

Palace on the occasion. It shows the unanimous desire and will of humankind to hold President Kim Il-song in high esteem forever as the sun of chuche, who is infinitely respected and praised by all people for his undying feats for the times and humankind. And it shows the iron will and unshakable faith of the Korean people to stubbornly fight for the accomplishment of noble chuche revolution and global independence under the guidance of the great leader Comrade Kim Chong-il.

Appearing on the screen are a national memorial service held in Pyongyang, the capital of revolution, in the presence of Comrade Kim Chong-il to commemorate the first anniversary of President Kim Il-song, memorial ceremonies at local areas and People's Army units and different memorial ceremonies held by South Koreans, overseas Koreans and in many countries on the five continents.

It shows that as a reflection of the earnest desires of the Korean people and progressive humankind to preserve President Kim Il-song in state for all ages, Kumsusan Memorial Palace, the supreme holy palace of chuche, was splendidly built in the time-honored holy land of revolution, where the president guided the party and state affairs and the Korean and world revolution with his energetic activities for many years.

The film also shows impressively that Comrade Kim Chong-il cut the red tape hanging in the square of Kumsusan Memorial Palace to open it to the public on July 8, 1995.

Group Awards Honorary Medal to Kim Il-song

*SK2109054295 Pyongyang KCNA in English
0452 GMT 21 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 21 (KCNA) — The great leader President Kim Il-song was awarded an honorary friendship medal from the Volunteer Organisation in Bolivar, Peru.

The medal was handed to an official concerned by General Advisor to the Peruvian National Youth Council and the Volunteer Organisation in Bolivar, Peru, Jose Carlos Chang Ricoba, who is staying here.

He, handing over the medal, which is awarded only to famous men of the world, said he deemed it great honor to award it to the respected leader, who performed the great exploits in implementation of the cause of independence against imperialism.

Choe Kwang Congratulates Athletes During Banquet

*SK2409101795 Pyongyang KCNA in English
0824 GMT 24 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 24 (KCNA) — The Ministry of the People's Armed Forces Saturday gave a banquet for the athletes of the Korean People's Army [KPA] who returned after demonstrating the honor of their motherland at the first Military World Games.

In his speech at the banquet, Chief of the General Staff of the KPA Choe Kwang congratulated all the athletes and coaches on their successful performance at the games, a significant gift to the 50th anniversary of the Workers' Party of Korea.

He recalled that respected Supreme Commander Comrade Kim Chong-il showed deep favors for the athletes so that they could acquire sporting skills. When they proved successful at the games, he sent thanks to them to renew their confidence in victory, Choe Kwang said.

"The supreme commander's deep trust and great parental affection enabled the athletes to win an overwhelming victory over U.S. Army women's volleyball team with an unprecedented score in volleyball games and defeat their rivals at the games in high spirits," he said.

He urged the athletes to remain intensely loyal to the supreme commander's idea and leadership and hold world titles in all sporting events so that the honor of chuche Korea can be exalted.

KPA Athletes Return Home; 'Warmly' Welcomed

*SK2309121095 Pyongyang KCNA in English
1059 GMT 23 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 23 (KCNA) — The sports team of the Korean People's Army (KPA) returned home today after participating in the first Military World Games.

They were met at the airport by KPA Vice Marshal Kim Kwang-chin, Vice-premier Chang Chol and officials concerned.

The KPA athletes won ten gold, nine silver and five bronze medals at the games.

Especially, the female spikers defeated the U.S. counterparts 3:0 (15:2, 15:1, 15:1), a score rare to be seen in volleyball games.

KPA soldiers, athletes and working people in the city took to streets with flowers in hand to warmly welcome the KPA athletes who returned after fully demonstrating

the strength of the KPA once more all over the world through the games.

Correction to Delegations Tour of Free Trade Zone

*SK2209153695 Pyongyang KCNA in English
1524 GMT 22 Sep 95*

[Corrected version of sk2209104695; explanatory notes describes difference from original FBIS version]

[FBIS Transcribed Text] Pyongyang, September 21 (KCNA) — Interest in the Najin-Sonbong free economic and trade zone of the Democratic People's Republic of Korea, which is known as "golden triangle", is growing among world's businessmen as days go by. This year the zone was visited by over 200 delegations of international organizations, companies and financial groups.

In May alone scores of business delegations from countries and regions including the United States, Britain, Germany, the Netherlands, China and Hong kong inspected the zone and expressed their willingness to invest in machinery, oil and electronic industries and road, harbor and airport projects.

The U.S. General Motors Corporation delegation toured the zone on two occasions and showed its plan to build a large automobile accessory factory there whose products will be exported in a large quantity to Northeast Asia and other countries.

The Morphy [as received] Overseas Group of the United States has planned to build a world-leading general timber mill in Ungsang district of the zone, with an investment of dlr 100 million, which is capable of processing timber of one million cubic metres a year.

The U.S. Stanton Group, too, decided to invest a great deal of capital in several projects such as oil processing industry and the construction of thermal power plant.

The Shell Pacific Enterprises Ltd. of Britain decided to invest single-handedly in a project for fuel storage and supply facilities and asked the zone authority to lease a land of above 10 hectares.

The Hong Kong New North East Asia Corporation Ltd. agreed to a joint venture on building Sonbong International Airport and Najin helicopter airport and launched its investment.

The Hong Kong Asian Development Company Ltd. expressed its willingness to lease a land of several dozen square kilometres around Najin port and in Uam and Wonjong Districts, so as to build an international commodity fair and a tourist village.

Besides, Russian companies, the Longxing Group in Yanji, China, and many other businesses made a residential registration and established single or joint enterprises.

The zone authority is taking preferential measures to provide the forerunner investors with convenience for their business activities and let them gain much more profits. [providing indistinct passage]

Progress in Public Health Services Noted

*SK2109151795 Pyongyang KCNA in English
1511 GMT 21 Sep 95*

["50 Years Under Banner of WPK" (13) Public Health Service" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, September 21 (KCNA) — The following shows the success achieved in public health service in Korea over the past 50 years: The enforcement of the free medical care system, the average life expectancy 36 years more than 50 years ago, the reduction of the death rate to one fifth and 29.7 doctors per 10,000 people.

The great development has been made in public health service under the leadership of the Workers' Party of Korea [WPK].

The people's desire to lead a long happy life without disease has been brilliantly realised in the era of the WPK.

Thanks to the wise leadership of the great leader President Kim Il-song, the founder of the party, and to the popular policy of the WPK, the most advanced health system has been set up in Korea and people enjoy a long life in good health.

President Kim Il-song took a measure introducing the universal free medical service system in the northern half of the Republic from January 1953, the hardest period of the fatherland liberation war.

All the people enjoy benefits from medical treatment without discrimination under the complete and universal free medical service system enforced from 1953. All the prices of medicines and fees for medical examination, operation, hospital accommodation and sanatoria treatment and expenses for travel to and from sanatorium are borne by the state.

Thus, the state, which is maintaining the policy of preventive medicine gives huge additional benefits to all people every year.

With the introduction of the advanced section doctor system everybody has a doctor in charge.

The medical organs have been set up everywhere people live and work.

The health service of the country has developed more rapidly thanks to the great leader Comrade Kim Chong-il.

Comrade Kim Chong-il issued various works including "On the Further Improvement of the Health Service" and elucidated the important guidelines for the development of health service and has wisely led work for their implementation.

A variety of medicaments are produced in large quantities at pharmaceutical plants throughout the country.

Especially the Koryo medicine has been rapidly developed and the proportion of preventive medical treatment dependent on it increased considerably.

The state has built up sanatorium in the areas of mineral water and utilized natural factors for the health improvement of the working people.

The health care of the working people is thoroughly guaranteed by the Public Health Law of the Democratic People's Republic of Korea.

Optical Fiber Cable Telephone Project Completed

*SK2109065895 Pyongyang KCNA in English
0446 GMT 21 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 21 (KCNA) — A project for modernizing telephone service network with optical fibre cable has been finished and put into operation.

The project was carried out under the cooperation between the Democratic People's Republic of Korea and the United Nations Development Programme [UNDP].

A ceremony took place on the spot on Wednesday to declare its operation.

Present there were Yi Song-tae, chairman of the State External Economic Affairs Commission, officials concerned and employees and G. Faruq Achikzad, resident representative of the UNDP in Korea.

Speeches were made at the ceremony.

The participants went round the newly-built optical fibre telecommunication facilities.

Electric Power Output in Chagang Reported

*SK2109095595 Pyongyang Korean Central
Broadcasting Network in Korean
2200 GMT 19 Sep 95*

[FBIS Translated Text] Electric power producers at the Small- and Medium-Type Power Plant Operation

Station of Chagang Province, who have vigorously risen up in the struggle to glorify the 50th anniversary of the founding of the party as a great festival of victors, have continued to regularize electric power production at a high level.

Comrade Chang Chong-sol, manager of the station, who met with station reporter Choe Hun, says:

[Begin Chang recording] This year, too, our party members and workers in the Small- and Medium-Type Power Plant Operation Station of Chagang Province have produced much more electric power than the everyday production quota without offsetting the pace of overfulfilling the daily production quota in order to send it to various fields of the national economy.

On the threshold of the 50th anniversary of the founding of the party, small- and medium-type power plants in the province are operating all generating facilities at full capacity. The morale of party members and workers is very high.

Functionaries at the operation station have gone to small- and medium-type power plants under the guidance of party organizations. There, they are substantially supervising and coordinating economic organizational work so that electric producers can regularize electric power production at a high level while giving priority to the work of ensuring supplies for the plants.

Standing at the front of the struggle to regularize power production at a high level are electric power producers of small- and medium-type plants in mountain areas. They are operating all generating facilities at full capacity by concentrating efforts on facility management and water management work, in particular.

Electric power producers in mountain areas are regularizing electric power production at a high level by properly carrying out embarkment maintenance and waterway maintenance, by concentrating efforts on water management, and by operating generating facilities scientifically.

Also, the small- and medium-type power plants in [word indistinct] area are constantly increasing electric power production by displaying the revolutionary spirit of self-reliance and fortitude and by actively using all available internal reserves. [end recording]

Small, Medium Power Plant Construction Noted

*SK2109053295 Pyongyang Korean Central
Broadcasting Network in Korean
2100 GMT 18 Sep 95*

[FBIS Translated Text] Sinhung County, which has built many small- and medium-sized power plants by

thoroughly implementing the task given by the great leader Comrade Kim Chong-il while providing on-the-spot guidance to South Hamgyong Province, has produced much electricity by regularizing the management and operation of these power plants in a scientific manner.

Comrade Kim Myong-son, vice chairman of the Sinhung County Provincial Party Committee, who met station reporter Ho Am, says:

[Begin Ho Am recording] The great leader Comrade Kim Chong-il, who gave on-the-spot guidance to South Hamgyong Province on many occasions, has provided instruction on building small- and medium- sized power plants.

Upholding the great general's teachings, our Sinhung County initiated the construction of 43 small- and medium-sized power plants in the past and has completed the construction of 33 of these power plants.

With the electric power produced in these power plants, the county is running engineering and power bases and operating service facility nets. The electric power produced in these power plants has been also used for television sets and for lighting in households.

We will complete the construction of the Sinhung No. 1 power plant before 10 October by accelerating its construction. We will vigorously wage a struggle to lead a life with our own strength with the electric power produced in these plants. Thus, we will glorify the 50th anniversary of the founding of the party as a great festival of victors and give joy to the great general. [end recording]

Anniversary of Communist Hero's Death Commemorated

*SK1709091395 Pyongyang KCNA in English
0820 GMT 17 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 17 (KCNA) — A Pyongyang memorial service was held on Saturday on the occasion of the 60th anniversary of the death of Comrade Yang Song-yong, a communist revolutionary fighter.

Present there were Vice-President Pak Song-chol, chief of the general staff of the Korean People's Army Choe Kwang and secretary of the WPK Central Committee Kye Ung-tae, who are members of the Political Bureau of the Central Committee of the Workers' Party of Korea, and other senior party and government officials.

Yang Hyong-sop, alternate member of the Political Bureau of the WPK Central Committee and chairman of

the Supreme People's Assembly, delivered a memorial address.

Born into a poor farmer's family on March 31, 1906, Yang Song-yong embarked upon the road of the revolution in his early years and pushed ahead with the preparations for forming armed ranks supporting the line of the anti-Japanese armed struggle which was set forth by the great leader President Kim Il-song.

After becoming the first battalion commander of the Wangqing guerrillas, he actively fought to implement the chuche-based revolutionary line and policy of struggle advanced by President Kim Il-song, always taking the van in the ranks.

He directly attended the respected leader President Kim Il-song from February 1933, during which he displayed unexcelled devotion and performed brilliant military exploits in the struggle to safeguard the headquarters of the revolution and carry the operational plan of President Kim Il-song into practice.

On September 17, 1935, he died a heroic death in a bloody fierce battle with the enemy at the age of 29, not seeing the day of the country's liberation.

He fell down at the very young age. But President Kim Il-song showed warm obligatory love for his daughter in succession after many years had passed since his death.

When Yang Kwi Tong Nyo, the daughter of Yang Song-yong, came to Korea from a faraway country in Central Asia in June 1994, President Kim Il-song talked with her for many hours with great pleasure. He said with deep emotion that Yang Song-yong, her father, was his old revolutionary comrade-in-arms who had waged the anti-Japanese armed struggle together with him.

The memorial address noted that the life of Yang Song-yong whom President Kim Il-song recalled with deep emotion even at the last days of his great life was a proud one of a true communist revolutionary who pioneered the bloody road for the revolutionary cause of chuche, sharing the same destiny with the leader in the most rigorous period of the Korean revolution.

Changjagang Power Plant Workers Increase Output

*SK2309132495 Pyongyang Korean Central Broadcasting Network in Korean
2100 GMT 22 Sep 95*

[FBIS Translated Text] According to a report by Choe Ung, correspondent of the central broadcasting network, party members and working people in the Changjagang power station, who rose more vigorously in the struggle to glorify the 50th anniversary of the party founding

as the victors' great festival, registered constant innovations in electric power production.

Rising by cherishing the faith that if the party decides, we will do, workers and technicians in the power generation workshop thoroughly ensured high water-level and high-efficiency operation in compliance with the condition under which the amount of materials has increased. They directed efforts to the management of facilities and of technology and ensured the operation of all generators at full capacity.

As a result, they produced 700,000 kilowatt-hours more electric power each day than planned, and are supplying it to the sites of socialist construction.

Power Plants in Chagang Increase Output

*SK2509095195 Pyongyang Korean Central Broadcasting Network in Korean
2100 GMT 24 Sep 95*

[FBIS Translated Text] Middle- and small-sized power plants in Chagang Province are increasing electric power production. Party members and working people in the electric power industry sector are expanding their production results everyday, bearing deep in their hearts the party Central Committee's slogan on increasing the production of electric power to the utmost by operating all power plants at full capacity.

In particular, electric power producers at a power plant where Comrade Pak In-hong works are overfulfilling daily production plans at 115 percent or more while operating power generators at full capacity and extending the life span of water wheels by adopting a new technological innovative method of production.

A power plant where Comrade Pak Il-song works also keeps overfulfilling daily production plans at 120 percent or more by concentrating efforts on the management of water and waterways and operating facilities at full capacity.

South Korea

Police Tighten Security at U.S. Compounds

*SK2509085695 Seoul YONHAP in English
0807 GMT 25 Sep 95*

[FBIS Transcribed Text] Seoul, Sept. 25 (YONHAP) — Police are tightening security around the U.S. Embassy and other American installations in Seoul against probable student demonstrations Tuesday.

Security is being increased as officials received reports that students affiliated with "Hanchongnyon," the Korean Federation of University Student Councils, have

designated Tuesday "U.S. Chastisement Day," and plan to stage demonstrations in front of the U.S. Embassy and other American installations in the metropolis Tuesday.

Seoul police headquarters reportedly told police stations around the capital, "students in the Hanchongnyon organization are expected to demonstrate in front of several U.S. installations and may throw Molotov cocktails while protesting against the United States for putting pressure on South Korea to further open its automobile market."

The headquarters also instructed its stations to increase guard details at the U.S. Embassy, U.S. Information Service, American military bases and at banking institutions.

U.S. Uses Real Estate 'Free of Charge'

SK2509034495 Seoul HANGUK ILBO in Korean
23 Sep 95 p 30

[Corrected version of report by Chong Kwang-chol originally filed as sk2309144595; explanatory notes describe differences from initial FBIS version]

[FBIS Translated Text] It was learned on 22 September that the United States is using free of charge our government-owned real estate amounting to at least 170 billion won [correcting figure in initial FBIS version], including the U.S. Embassy building, apart from facilities used by the U.S. Forces in Korea.

According to the data submitted by the Foreign Ministry to Assemblyman Namgung Chin (National Congress for New Politics) for the parliamentary inspection of the administration, the United States is using free of charge the 126.7 billion won-worth U.S. Embassy building; 31.1 billion won-worth office buildings in some U.S. military bases, and the 10.7 billion won-worth Pusan U.S. Cultural Center building.

The United States is using about 70,000 pyong [one pyong is 3.954 square yards] of land at the Yongsan military base as quarters for U.S. Embassy staff members. When the value of this site is calculated by the present value of money, the amount is estimated to be hundreds of billions of won.

The ROK Foreign Ministry held three rounds of working-level talks with the United States in 1995 on the return of the real estate being used free of charge, but the U.S. side insisted on the legal right to use the real estate and has refused to return it. This is reportedly causing diplomatic friction between the two countries.

The ROK's position is that the treaties on the free use of real estate signed between the two countries in 1948,

1960, and 1962 already expired, but the United States insists that they are still valid.

Local Taxes on U.S. Cars Said Final Obstacle

SK2309022095 Seoul THE KOREA HERALD
in English 23 Sep 95 p 1

[FBIS Transcribed Text] Auto trade talks held in Washington between South Korea and the United States may be settled smoothly if the two countries iron out their differences over a complex of taxes levied by the Seoul government on foreign cars, a senior official at the Ministry of Trade, Industry and Energy (MOTIE) said yesterday.

Talks between Seoul and Washington on car trade hit a snag after two days of discussions in Washington, but negotiators have reportedly reached agreements on most of the automotive issues, except the tax problem that U.S. car manufacturers contend is unfairly keeping their cars out of the Korean market, he said on condition of anonymity.

In a related development, the U.S. side said it would notify the Korean delegation of its decision whether to resume the car trade talks or not by Friday night (local time), said the official.

U.S. negotiators are known to have discussed relevant developments of the car issue with U.S. industry officials including representatives from America's three major auto companies — General Motors, Ford and Chrysler.

Noting that the atmosphere at the auto talks held in Washington Tuesday and Wednesday was not so bleak, the MOTIE official said that both sides seem to have nearly reached agreement concerning several sensitive issues, including the reduction in tariff rates on imported cars, the Seoul government's efforts to improve the Korean people's perceptions of foreign cars, and the gradual lifting of restrictions on financing imports and leasing foreign-made cars.

The Seoul government has already taken steps to meet American concerns, including lowering its auto import tariff from 10 percent to 8 percent and relaxing restrictions that limit ads of foreign autos and the number and size of import dealerships, he said.

However, the two sides still hold widely different views over the variety of auto-related taxes. U.S. automakers argue that the taxes can add as much as 115 percent to the price of an imported car.

In an attempt to solve the car trade dispute amicably, the Korean delegation has reportedly made more con-

cessions on the issue, but details of the dialogue have not yet been revealed.

If the Seoul government's concessions fail to satisfy American automakers' demands, the U.S. trade representative may consider launching a "Super 301 investigation" against South Korea by the end of the month.

Another option being weighed by the U.S. Administration is bringing a case against South Korea before the new World Trade Organization (WTO).

In the meantime, the Korean government is also moving to take tough actions against the United States if Seoul and Washington fail to make smooth settlements of the auto trade issue.

Should the United States ignore Korea's strenuous efforts to open the domestic car market wider to foreign competition, the Seoul government has no option but to bring the car trade dispute to the WTO for a fair solution, said the official.

Plan To Reduce Taxes

*SK2309023395 Seoul THE KOREA TIMES in English
23 Sep 95 p 8*

[FBIS Transcribed Text] Korea's offer to reduce provincial taxes on luxury vehicles with large engine capacities is seen to have brought about a breakthrough in three days of talks with the United States in Washington.

On the final day of the bilateral negotiations Thursday, Korea reportedly changed its position on tax reductions, promising to rationalize the accumulative provincial tax structure applied for large vehicles.

Informed Korean sources in Washington said the Seoul delegation offered to cut the provincial tax on automobiles with engine capacities of between 2,500 cc and 3,000 cc and of over 3,000 cc.

The current tax per liter for the two categories is 410 and 630 won respectively and could be slashed to around 300 and 400 won, bringing down the operation costs of large cars by 1-1.5 million won, making them more attractive.

A senior official at the Ministry of Finance and Economy said the decision to offer a provincial tax modification was delivered to the Korean delegation prior to the third day of talks early Thursday (local time).

The change in position was made largely in recognition of the fact that the provincial tax for automobiles between 2,000 cc and 2,500 cc, in which category 75 percent of European cars fall, is considerably cheaper at 250 won per liter.

The concession is a sharp turnaround from Korea's initial position of not accommodating tax changes, beyond the earlier cutting of the excise tax on luxury vehicles by 5 percentage points, to appease U.S. demands for further market opening.

At the end of the talks, extended an extra day, officials of the U.S. Representative Office said discussions will be held within the U.S. administration and with carmakers before a final position is revealed Friday (local time).

Initial reports from informed Korean sources in Washington were optimistic, indicating that the U.S. in most likelihood will take a more flexible approach to the dispute with Korea than it did in that with Japan early this year.

Officials at the Ministry of Trade Industry and Energy, however, said they could not rule out the possibility that the U.S. could demand extended talks and make more demands to open the Korean market wider to American automakers.

If the U.S. were to decide that the Korean offer is unacceptable, the U.S.T.R. [U.S. trade representative] would have to designate Korea under the Priority Foreign Country Practice of Super 301, launch an intensive investigation and possibly impose sanctions.

The Korean government, for its part, has said that all preparatory steps have been taken to file a complaint with the World Trade Organization (WTO) if the U.S. insists on unfair sanctions.

The American Automobile Manufacturers Association has been contending that the Korean market is one of the most closed in the world where the demand for 1.2 million cars is met with less than 4,000 imports, about 0.3 percent.

Lawmakers Say U.S. 'Over-Restricted' Exports

*SK2509062795 Seoul YONHAP in English
0203 GMT 25 Sep 95*

[FBIS Transcribed Text] Seoul, Sept. 25 (YONHAP) — South Korean defense industry exports have been over-restricted by the U.S. Government, opposition lawmakers on the National Assembly's Defense Committee said Monday.

Rep. Yim Pok-chin of the main opposition National Congress for New Politics (NCNP) said that since Seoul and Washington signed the "Memorandum of Understanding (MOU) on Royalty Fees" in 1989, the U.S. Government has exceedingly restricted South Korean defense industry exports to third countries.

The MOU makes it impossible for South Korea to export defense industry goods produced using U.S. technology to third countries without first getting U.S. approval.

"Since 1989, the rate of U.S. approvals has plunged and that has dealt a great blow to the South Korean defense industry," Rep. Yim said.

Meanwhile, opposition lawmaker Rep. Na Pyong-son also pointed out that South Korea's poor ability to negotiate and the United States' increased control over South Korea's defense exports have all contributed to the weakening of the country's defense industry.

The U.S. Government approved about 23 percent of South Korea's defense industry exports in 1990, 33 percent in 1991, zero percent in 1992, 4.9 percent in 1993 and 16 percent in 1994.

Between 1990 and 1994, South Korea requested United States' approval for a total of 200 exports, but it approved only 30, according to the Defense Ministry report submitted by the lawmakers for parliamentary inspection.

Joint Forces To Bolster Rapid Deployment Force

SK2409080595 Seoul CHOSON ILBO in Korean
24 Sep 95 p 2

[Report by Kyong Yong-won]

[FBIS Translated Text] The ROK and U.S. Armed Forces have agreed to drastically reinforce the combat capability of the U.S. Forces which are deployed in advance to deter a war in case there are signs of a North Korean invasion of the South, and established a new operational plan based on this.

The U.S. Forces Korea [USFK] and the ROK Defense Ministry on 23 September disclosed that the USFK and the ROK Armed Forces set up a new operational plan by adding the concept of "Force Enhancement (FE)" to the Rapid Deployment Deterrent Force (FDO), which is deployed in advance before the outbreak of war, and are developing this plan continuously.

Whereas the "Rapid Deployment Deterrent Force" concentrates on the reinforcement of the Navy and Air Forces, such as the fighter wing and the aircraft carrier task force, the "Force Enhancement" includes not only the reinforcement of Navy and Air Forces but the ground force, such as Patriot missile and ("Atakims") surface-to-surface missile units to curb the threat of the North Korean Air Force and missile units.

A senior official of the Defense Ministry said: Because the concept of "Force Enhancement" contains the force essential at the initial stage of the outbreak of a war, the

U.S. and ROK Forces will be able to more effectively deter a North Korean invasion of the South.

Resolution on North Implementing Safeguards Lauded

SK2309061295 Seoul YONHAP in English
0533 GMT 23 Sep 95

[FBIS Transcribed Text] Seoul, Sept. 23 (YONHAP) — South Korea Saturday welcomed the resolution adopted the previous day by the International Atomic Energy Agency (IAEA) urging North Korea to implement international nuclear safeguards.

The Foreign Ministry stressed in a statement that North Korea should fully honor the obligations set forth by the international nuclear safeguards resolution and act as a responsible member of the international community.

The 39th IAEA annual assembly Friday adopted the resolution in a 70 to 0 vote, with 10 abstentions.

Nation Elected IAEA Board of Governors Member

SK2309061795 Seoul YONHAP in English
0556 GMT 23 Sep 95

[FBIS Transcribed Text] Seoul, Sept. 23 (YONHAP) — South Korea was elected Friday a two-year member of the International Atomic Energy Agency's (IAEA) Board of Governors, a Foreign Ministry spokesman said Saturday.

The 39th annual assembly of the world's nuclear watchdog agency elected the country to be a regional governor on the IAEA's board for 1996 and 1997 so the nation could take part in a wide range of IAEA decision-making processes, the spokesman said.

With the election, the ministry plans to strengthen its diplomacy in the nuclear community as one of the world's 10 largest nuclear technology nations.

The IAEA currently has 13 designated governors on its board, consisting of the world's most developed nuclear technology holders.

South Korea was elected as one of the 11 regional governors on the IAEA's board.

North To Suffer 'Unprecedented' Grain Shortage

SK2309021195 Seoul THE KOREA TIMES in English
23 Sep 95 p 2

[FBIS Transcribed Text] North Korea will suffer an unprecedented grain shortage of up to 3.8 million tons in the aftermath of the recent floods that hit the North's rice bowl, analysts here said.

The Advisory Council on Democratic and Peaceful Unification and Kim Un-kon, chief of the North Korea research team at the Korea Rural Economics Institute, said North Korea had witnessed three major floods in July and August. Especially, farmlands in the western provinces of Pyongannam-to, Pyonganpuk-to and Hwanghae-to, known as the North's farm belt, were inundated, and crops waiting for harvests were washed away.

North Korea suffers from an annual grain shortage of 2 million tons, while its total demand for grain reaches 6 or 6.5 million tons, he said.

The researcher said that North Korea's damages in grain harvests were aggravated because of failures in agricultural policies.

As North Korea's agricultural policymakers sought to systematically get rid of trees on the mountains, and turn them into farmland, the torrential rains caused serious landslides, demolishing their efforts, he said.

Coupled with damages in grain harvests, the floods ruined the North's major irrigation facilities, including pumping systems, he noted.

The researcher called on the government to diversify ways to aid North Korea from the current initiative focused on shipping rice.

A good option for Seoul is to provide agricultural equipment to Pyongyang in place of rice, helping repair damaged agricultural facilities in North Korea, he said. Currently, the South Korean Government doesn't secure surplus grain reserves to be offered to North Korea, and furthermore, there is no public consensus on the additional shipment of rice, he added.

He also told the government that it should propose supplying fertilizers, pesticide and agricultural machinery to North Korea. Another option could be supplying corn or barley, less expensive in international markets compared to rice, he suggested.

The researcher said North Korea had rationed mixed grains with rice and corn [in] the 1970's, so the supply of corn meets the ordinary North Koreans' diet patterns.

North Flood Damage Claims Said Exaggerated

SK2309082595 Seoul KYONGHYANG SINMUN in Korean 23 Sep 95 p 1

[FBIS Translated Text] Kwon Yong-hae, director of the Agency for National Security Planning [NSP], attending a meeting of the National Assembly Information Committee on 22 September, said, "The damage to the crop North Korea suffered from the floods is from 100,000 to 150,000 tonnes, and North Korea has exaggerated its

claim 10 times over. Meanwhile, there is no evidence of the serious deterioration of Kim Chong-il's health or any conflict within the power hierarchy of North Korea."

According to Sin Sang-u, chairman of the National Assembly Information Committee, Director Kwon made these remarks when he made a report in the meeting on "the trend of the internal situation of North Korea" and stated, "If the North Korean economic difficulty worsens owing to the flood damage, North Korea could further strain the tension on the Korean peninsula." Chairman Sin added that NSP Director Kwon stated, "Although North Korea reported to the United Nations that it expects a reduction of grain harvest by 1.9 million tonnes out of the 6.5 million tonnes it would have expected without the flooding, our estimate of the North Korean loss is about 150,000 tonnes."

North Broadcasts Reminder of Flood Aid to South

SK2509095395 Seoul YONHAP in English 0639 GMT 25 Sep 95

[FBIS Transcribed Text] Seoul, Sept. 25 (YONHAP) — North Korea recently broadcast a reminder of the contributions it made in 1984 when Pyongyang provided South Korea with relief supplies after the heavy flooding the South experienced that year, claiming the donations were worth 18 million U.S. dollars, a source here said Monday.

The remarks, made by a North Korean broadcasting station, are attracting attention as South and North Korea are scheduled to hold a third round of rice talks in Beijing Wednesday.

"Minminjon," the Korean national democratic front, recently said in a broadcast that North Korea sent 50,000 sok (about 7,200 tons) of rice, 500,000 meters of fabric, 100,000 tons of cement and medical supplies to South Korea in 1984.

"It was an enormous contribution worth 14,563.8 million won at the time," the report said.

North Korea, meanwhile, is claiming that Minminjon is an underground organization in South Korea.

Minminjon claimed that the United States and Japan sent about 20,000 dollars and 100,000 dollars worth of contributions to South Korea in 1984, respectively — only 0.001 percent and 0.005 percent of what North Korea donated.

"The enormous contribution was unprecedented in the 120 year history of relief efforts by the International Red Cross," according to the report.

Three North Loggers Defect, Arrive in Seoul

*SK2309113995 Seoul YONHAP in English
1055 GMT 23 Sep 95*

[FBIS Transcribed Text] Seoul, Sept. 23 (YONHAP) — Three North Korean men, who had escaped from North Korea-run logging yards in Siberia into the area of the Commonwealth of Independent States (CIS), flew into Seoul Saturday through the good offices of the UN High Commissioner for Refugees (UNHCR), the Foreign Ministry reported.

The ministry identified the three defectors only as Kim Kwang-il, Kim Pong-chol and Ho Kwang-il.

"The government permitted their defection to the South from a humanitarian ground as were the recent cases with other North Korean logger-defectors," the ministry said.

Daily Urges Repatriation of Usong Boat, Crew

*SK2309110695 Seoul CHUNGANG ILBO in Korean
23 Sep 95 p 3*

[Editorial: "The Usong Boat and Crew Should Be Repatriated First Without Bargaining"]

[FBIS Translated Text] North Korea, which kept silent since it abducted the Usong boat, opened its mouth for the first time in four months. The content of the statement, which North Korea briefly revealed on 20 September through its official news agency, evoked the people's indignation once again. The statement, released officially for the first time, also attracts the people's attention, because it laid at least a foundation for North and South Korea to officially raise the issue of repatriating the boat's crew.

There are various interpretations and reactions here about the reason behind North Korea mentioning the Usong boat now. A pessimistic view points out that North Korea intends to shut our side's mouth in the wake of the third round of the talks slated for 27 September in Beijing, while the other opinion indicates that the North attempts to link the boat issue with the support of additional rice and help for restoring flood damages. Although it is yet difficult to assess North Korea's true intention, North Korea's statement apparently suggests that North Korea would make further decisions on the issue of Usong boat by observing our side's attitude responding to North Korea.

The North Korean statement, above all, has confirmed three facts. First, firing took place in the course of hijacking the boat to the North, causing many deaths. Second, North Korea will handle the incident according to its own law. Third, despite all this, North Korea is treating the crew with warm compatriotic love.

Concerning the Usong boat issue, the North Korean side said in the past that "since the investigation of the issue is under way, let us wait and see the result. We will make efforts." Judging from these remarks, the current official statement can be regarded as part of the order for providing a basis for repatriation. In addition, North Korea alleged that it will deal with the crew according to its law but added that it is treating them with compatriotic love. This can be interpreted as a signal of the possibility that the crew may be released depending on our side's attitude. The position of compatriotic love can be observed as meaning expectations for economic support from our side. If this is true, North Korea is believed to be attempting to strike a bargain with the crew issue, who should be immediately and unconditionally repatriated since they were rescued in the face of unfortunate disaster.

As for compatriotic love, our side, which offered nearly all of 150,000 tonnes of rice to North Korea, has much more to say. This being the case, if North Korea merely attempts to strike a bargain with the issue of repatriating the crew, it will only expose its shamelessness more undisguisedly. As long as the people think that this North Korean attempt is true, additional rice support would be difficult. Even for the sake of restoring the flood damages, North Korea should repatriate the Usong boat and its crew, the sooner, the better.

Crew Repatriation Not To Be Linked With Rice

*SK2409110695 Seoul CHUNGANG ILBO in Korean
24 Sep 95 p 2*

[Report by Choe Won-ki]

[FBIS Translated Text] It has been learned that during the third round of talks between the authorities of North and South Korea slated for 27 September in Beijing, the government intends to deal with the repatriation of the Usong boat crew by separating it from the rice issue.

A relevant official of the National Unification Board [NUB] on 23 September said that "it is the government's policy not to raise the issue of additional support of rice during the third round of talks. Thus, the government will not link the issue of repatriation of the Usong boat crew with the issue of additional support of rice."

Concerning the composition of the ROK side's delegation to the Beijing talks, this official stated that "Yi Sok-chae, vice minister of finance and economy, will head the delegation. However, an official from the NUB, other than Kim Hyong-ki, director of the Office of Analysis of Information, will participate in the talks."

Unification Ministry Reports to Assembly*SK2309013095 Seoul YONHAP in English
0106 GMT 23 Sep 95*

[FBIS Transcribed Text] Seoul, Sept. 23 (YONHAP) — The South Korean Government plans to conclude an "agreement on the peaceful use of atomic energy" with North Korea in an effort to secure free passage of personnel, equipment and material for the light-water nuclear reactor [LWR] supply project, the Ministry of National Unification said Saturday.

According to the report the ministry submitted to the National Assembly for parliamentary inspection, the government will include the issue in the light-water reactor supply contract between the Korean Peninsula Energy Development Organization (KEDO) and North Korea.

KEDO will construct two light-water reactors in North Korea in return for the North freezing its nuclear development program.

"If the light-water reactor supply project is concluded smoothly and South Korea realizes a central role in the project, then construction personnel will have to move between South and North Korea and some workers may have [to] stay in the North for a long period of time. Construction equipment and materials will also have to move between South and North Korea," the report said.

Meanwhile, the report commented on the Russian survey of Sinpo, the North Korean city where the light-water reactor plant may be constructed, saying KEDO should examine the site to decide if it is an appropriate location for the nuclear reactors.

"KEDO is of the position that North Korea should actively cooperate with it if smooth progress in the light-water reactor project is to be made. North Korea should submit the Russian survey on the Sinpo site to KEDO," the report added.

Lack of Investment in Najin-Sonbong Criticized*SK2409081795 Seoul CHOSON ILBO in Korean
24 Sep 95 p 2*

[Report by Pak Sung-chun from Beijing]

[FBIS Translated Text] Kim Chong-u, chairman of the DPRK Committee for the Promotion of External Economic Cooperation, on 23 September criticized the ROK Government, stating that it has not allowed ROK businessmen to make investments in the Najin-Sonbong free economic trade zone.

Attending the second-day session of the explanatory meeting on investment in the Najin-Sonbong district held in Beijing that day, Kim Chong-u made this

criticism, and warned that "if this situation continues, we (North Korea) will take measures, too." Concerning the issue of ROK people visiting the Najin-Sonbong district, he said "the South Korean people will be regarded as 'Korean compatriots residing outside of the Republic' according to the law on the Najin-Sonbong free economic zone. Thus, they will be allowed to visit this zone without a visa, provided they have an invitation." However, he emphasized that "in the event that the South Korean authorities continue taking measures not allowing South Korean businessmen's investments in the Najin-Sonbong zone, we will take corresponding measures against this."

Chinese-Korean Views Situation in Najin-Sonbong*SK2409052395 Seoul CHOSON ILBO in Korean
21 Sep 95 p 25*

[FBIS Translated Text] In North Korea's Najin-Sonbong area, some 60 foreign business delegations from Russia, China, the United States, and Japan are residing waiting to obtain North Korean approval to establish business enterprises and make investments, and investment survey groups are continuing to enter this area steadily, it was learned on 20 September.

According to Choe Won-chol, a Chinese-Korean and president of Longxing Company in Yanbian, China, who completed the business registration for leasing offices and a taxicab service in the Najin-Sonbong area in June, the foreign businessmen are lodged in a four-story apartment, which was used by the Soviet technicians dispatched for technological advice for the Sungni Chemical Plant (Unggi Oil Refinery Plant), paying 32 won (approximately \$15) per day for lodging from the money they have exchanged from dollars.

President Choe said that 40 to 50 of these foreign businessmen are residing in this area with one-year residential permits. The situation in the Najin-Sonbong area is as follows, President Choe disclosed.

They eat at the restaurant specially designated for foreigners, paying 20 won (of the money they exchanged from dollars) per meal or making their own meals. On the first floor of the apartment there is a restaurant for foreigners and three food stores, so there is no difficulty in making meals. The Najin-Sonbong municipal authorities swiftly supply the foodstuffs demanded by foreigners, such as meat and vegetables.

The greatest difficulty foreign businessmen are experiencing is transportation. The staff members of the Longxing Company are traveling between China and the Najin-Sonbong area in an ROK-made jeep, but most of the foreign businessmen use taxis. Taxis are mostly

used cars made in Japan, and about 10 of these are in operation now, charging a taxi fare of 1 won per kilometer without a basic charge. If one uses a taxi a whole day, they charge 100 won. There are no other means of transportation except taxis and the train used by the North Korean residents. The plants being built by foreign businesses are a Chinese noodle plant, vinyl plant, and chemical plant (for the production of cosmetics). The Najin Hotel, which a Korean-American is building, having invested \$1 million, has been completed but as yet has no connection to the local infrastructure.

As for the infrastructure, only the town is equipped with electricity, a water supply, sewage services, and roads. The site for the construction of industrial complexes is simply a wide bleak plane at present. However, the North Korean authorities seem determined to develop this area.

In fact, the North Korean authorities are taking various steps one after another, such as the establishment of a land bureau, a tax bureau, an immigration control bureau, and an insurance company.

Government To Allow Businessmen's Trip to North
SK2509053395 Seoul KYONGHYANG SINMUN
in Korean 25 Sep 95 p 2

[FBIS Translated Text] It was learned that the government will allow the visit to the Najin-Sonbong free trade economic zone by ROK businessmen slated for 15 October, if North Korea officially requests cooperation at the third round of talks between South-North authorities, which is expected to begin on 27 September in Beijing.

A government official said on 24 September: "There is no change in the position that it is not desirable for a 60-man delegation of businessmen to visit North Korea because it may bring about misunderstandings politically, but if North Korea's genuine intention is confirmed, then there is no reason not to approve the visit."

This official emphasized: "The conditions for allowing the businessmen's visit are the official request by North Korea; promise from North Korea that it will not use the ROK businessmen's visit to the North politically; and that a memorandum be issued under the name of Public Security Minister Paek Hak-nim guaranteeing their safety."

This official added: "If North Korea shows sincerity in the upcoming talks regarding pending South-North issues such as the repatriation of the *Usong* ship's crew, the government will not only allow the businessmen to visit North Korea, but will also examine the active

cooperation of developing the Najin-Sonbong region on a governmental level."

The businessmen's visit to the Najin-Sonbong region is being supervised by the Korea Foreign Trade Association. Recently, when the government prohibited such a visit, some related businessmen expressed disappointment by saying: "We lost a good opportunity to invest in North Korea."

North Official Interviewed on Najin-Sonbong
SK2409091495 Seoul HANGYORE SINMUN
in Korean 24 Sep 95 p 6

[Report on interview with Kim Chong-u, chairman of the North Korean Committee for the Promotion of External Economic Cooperation, by unidentified reporters in Beijing on 23 September after the investment seminar on the Najin-Sonbong free trade zone; report compiled by Yi Kil-u from Beijing]

[FBIS Translated Text] [Reporter] What is the significance and objective of the investment seminar on the Najin-Sonbong area?

[Kim] About 160 businessmen from 17 countries attended the investment seminar, which reflects the high interest in the area. In addition to the United States, European countries such as the UK, France, and Switzerland showed keen interest. The seminar will prove that the Najin-Sonbong development project will be pursued as planned.

[Reporter] What is the status of the development of the Najin-Sonbong area?

[Kim] There is still much more to be done. We have focused on creating the conditions for investment, developing the management and administration abilities, and fostering human resources. We are concentrating on the expansion of the infrastructure.

[Reporter] What business fields are the United States and Western countries interested in?

[Kim] They have showed interest in key industries, including power plants and telecommunications. AT&T and General Motors of the United States showed great interest. However, the obstacle is that the U.S. Government has not lifted economic restrictions sufficiently.

[Reporter] Can the products manufactured in the Najin-Sonbong area be sold within North Korea?

[Kim] It is possible through DPRK trade agencies, but the products will be imposed tariff and tax for raw materials and parts. The DPRK "won" will be the only currency allowed for trade transactions.

[Reporter] Do you have any special measure to promote foreign investment?

[Kim] We have already enacted 25 related laws, and about 50 more will be added in the next four to five years. Large-scale projects, including the construction of ports, communication facilities, industrial complexes, and buildings, will be open to foreign companies.

[Reporter] Do you plan to give special favors to South Korea companies?

[Kim] Currently, there is no discrimination between South Korean and other foreign companies. All regulations are applied equally. However, the South Korean authorities are so capricious that some contracts are not being implemented. If the contracts signed with South Korean companies continue to be hindered, we cannot but seek other ways.

[Reporter] What is your plan for transportation to Najin-Sonbong?

[Kim] We have finalized a contract with a foreign company to build an airport in Sonbong. The first-phase construction will be completed in two years. Then, air traffic from Beijing and Yanji will be possible. Helicopter transportation will be available from next year.

Currently, you can fly from Beijing to Orang Airport, then enter Najin-Sonbong using land transportation. Of course, you do not need a visa. When the number of visitors increases to a certain degree, we will open regular flights.

[Reporter] Do you have any investment tips for foreign companies?

[Kim] I recommend investment in infrastructure, advanced technology, and processing-on-commission trade. We will give special favors to companies that export 100 percent of their products.

[Reporter] Are you willing to open the Najin-Sonbong area to the South Korean media?

[Kim] Frankly, there is not much to see for now, but I promise that the South Korean media will be invited to the next investment seminar to be held in Najin-Sonbong in May 1996.

Foreign Ministry Estimates North Chemical Weapons

*SK2409090895 Seoul CHOSON ILBO in Korean
24 Sep 95 p 2*

[Report by Kim Yon-kwang]

[FBIS Translated Text] In data submitted to the National Assembly on 23 September for the parliamen-

tary inspection of the administration, the Foreign Ministry stated that North Korea is believed to possess between 1,000 and 5,000 tonnes of chemical weapons. This Foreign Ministry assessment on North Korea's production capabilities of chemical-biological weapons far surpasses the estimate made by the National Unification Board, which stated that "North Korea has approximately 1,000 tonnes of chemical-biological weapons."

In this material, the Foreign Ministry also said that "North Korea has three chemical-biological weapons research institutes; eight facilities that are believed to be capable of producing such weapons, and six storage houses." The Foreign Ministry revealed that "North Korea is capable of producing 15.2 tonnes of chemical weapons a day in ordinary times, amounting to 4,500 tonnes a year." The Foreign Ministry pointed out that "most of the field artillery guns and launchers North Korea possesses are capable of loading chemical weapons, and the ROK's capital comes within range of these weapons. In the event that chemical weapons were loaded into Scud missiles, the entire Korean peninsula would be within range of the missiles." Thus, the Foreign Ministry emphasized urgent countermeasures.

Government To Raise North Human Rights Issue

*SK2409104295 Seoul CHUNGANG ILBO in Korean
24 Sep 95 p 1*

[Report by Yi Sang-il]

[FBIS Translated Text] The ROK Government has changed its existing policy of intentionally avoiding the North Korean human rights issue, and has decided to openly and directly raise the issue at the United Nations and in the international arena to urge international attention.

According to ROK Foreign Ministry data submitted to the National Assembly state administration inspection team on 23 September, ROK Foreign Minister Kong No-myong sent a letter to the UN Office of High Commissioner for Refugees (UNHCR) on 31 August, pointing out North Korea's passive attitude toward the resolution of the issue of the South Koreans abducted by the North and the issue of separated families. The letter also asked the UNHCR to directly get involved in these issues.

Minister Kong will officially raise the North Korean human rights issue during his speech at the UN General Assembly on 28 September.

Minister Kong is scheduled to leave for New York on the afternoon of 23 September. [as published]

The Foreign Ministry data reveals that Ministry Kong sent a letter to the UNHCR through Ho Sung, ROK

ambassador to Geneva, on 31 August, asking the UNHCR to directly get involved in the issue of the South Koreans abducted by the North and the issue of separated families.

The ROK Government has restrained itself from directly raising the North Korean human rights issue in consideration of the improvement of North-South relations and the resumption of dialogue with North Korea. The ROK Government has instead indirectly raised the issue through a third country or civilian organizations.

The Foreign Ministry said: "In order to promote the improvement of North-South relations, the government has avoided North-South confrontation in the international arena and indirectly raised the North Korean human rights issue through third countries and civilian organizations. In the future, the government will more actively raise the issue in the UN Commission on Human Rights and other international organizations."

The ministry stressed: "The United Nations has reviewed the human rights situation of most countries. It is unfair to exclude from international attention such a serious case of human rights violation as the illegal abduction to North Korea."

On 30 July, the Foreign Ministry sent to the UNHCR a petition signed by the families of 440 South Koreans abducted by North Korea, including the Tongjin ship crew, demanding the confirmation of their life or death and the release of abductees, and another petition disclosing the human rights violation in North Korea's Yodok and Onsong No. 13 concentration camps written by defectors Kang Chol, 27; An Hyok, 27; and An Myong-chol, 26. In December 1994, a petition written by An Chung-hak and other four North Korean loggers who defected on the miserable condition in the Siberian logging site was also submitted to the UNHCR.

Na Ung-pae Says Cooperation Fund To Increase

*SK2509104895 Seoul YONHAP in English
1033 GMT 25 Sep 95*

[FBIS Transcribed Text] Seoul, Sept. 25 (YONHAP) — Deputy Prime Minister Na Ung-pae said on Monday the government will boost the South-North cooperation fund to the level of 1,000 billion won by 1998.

In a testimony before a parliamentary inspection team, Na said the cooperation fund is expected to total 220 billion won by the end of this year and 320 billion won by next year end.

"The government will put 600 billion more won to the fund by 1998 and some more will be raised through the floating of bonds and foreign credits to secure 1,000 billion won in all," he said.

At present the fund amounts to 192.3 billion won, Na said, adding that when the committed contribution of 27.5 billion won and next year's government contribution of 100 billion won are obtained, the fund would reach 320 billion won next year.

Government To Stress Use of Nuclear Energy

*SK2409092695 Seoul SEOUL SINMUN in Korean
24 Sep 95 p 2*

[Report by Pak Song-won]

[FBIS Translated Text] With a view to systematically ensure the free visit of personnel, as well as free transportation of equipment and materials, in the course of supporting light-water reactors to North Korea, the government is pushing ahead with the adoption of "an agreement on the peaceful use of nuclear energy" with North Korea.

In data submitted to the National Assembly on 23 September for the parliamentary inspection of the administration, the National Unification Board revealed this plan, and added that "this plan will be reflected in the agreement on the provision of light-water reactors to be signed in the future between the Korean Peninsula Energy Development Organization and North Korea."

Minister To Demand PRC Exercise Influence

*SK2509095795 Seoul YONHAP in English
0803 GMT 25 Sep 95*

[FBIS Transcribed Text] New York, Sept. 25 (YONHAP) — South Korea will demand that China exercise its influence over North Korea to help the South confirm whether pastor An Sung-un was kidnapped and brought to the North against his will, or if he volunteered to defect, a South Korean diplomat here said Monday.

In a meeting with Chinese Foreign Minister Qian Qichen, Foreign Minister Kong No-myong, now in New York to attend the 50th United Nations General Assembly, will ask Qian for China's help to solve the alleged kidnapping of Pastor An through diplomatic channels, the official said.

Pastor An, who the South Korean Government believes was abducted last June by North Korean agents in Yanbian, Jilin Province, China, recently appeared on a North Korean broadcast and stressed that he voluntarily defected to the North, he said.

The Chinese Government has repeatedly said that it will inform the South Korean Government of the outcome of its investigation into the alleged abduction as soon as the probe is complete.

Beijing, however, has yet to notify Seoul of the investigation's results.

The diplomat noted, "We need to confirm what Pastor An's intentions were regardless of the Chinese investigation's findings."

Chinese authorities recently notified Seoul of the most recent findings in their investigation of the An case, saying China will handle any ethnic Koreans involved in the alleged abduction of An in accordance with the domestic laws of China, the diplomat stressed.

While informing South Korea of its most recent findings, China, however, failed to explain to Seoul how An exited from China and entered the North, just demanding that South Korea make efforts to prevent Koreans from conducting illegal religious activities in China, he said.

"It is very likely that China will inform South Korea of its investigation's outcome during the Kong-Qian meeting," the diplomat said, adding, "We will come up with proper measures in accordance with the outcome of the investigation's results."

The two foreign ministers will also try to put the final touches on the itinerary of Chinese President Jiang Zemin's scheduled visit to South Korea which will tentatively take place just prior to the Asia Pacific Economic Cooperation (APEC) summit slated for Osaka, Japan, this coming November, according to the diplomat.

Among the dates being considered for Jiang's visit are Nov. 16-18 and Nov. 17-19.

Defense Denies Regular Meeting With Japan

SK2409090495 Seoul CHOSON ILBO in Korean
24 Sep 95 p 2

[Report by Kyong Yong-won]

[FBIS Translated Text] Regarding a foreign news report that the ROK and Japan have reached an agreement to hold consultations between defense ministers of the two nations on a regular basis, the Ministry of National Defense has revealed that "the report is not true."

Ministry To Reorganize Basic Defense Structure

SK2509072795 Seoul YONHAP in English
0338 GMT 25 Sep 95

[FBIS Transcribed Text] Seoul, Sept. 25 (YONHAP) — South Korean Defense Minister Yi Yang-ho said Monday that his ministry is studying ways to develop the nation's defenses in preparation for the 21st century and Korean unification.

Briefing the National Assembly's National Defense Committee, Yi said, "The Defense Ministry is pushing to reorganize the basic structure of the nation's defenses so that the country will be prepared to cope with the upcoming 21st century and Korean unification [no ending quotation marks as received]."

The ministry's plan seeks to secure the nation's ability to defend itself and will allow it to play the role of a regional mediator, in an effort to cope with the trend of strengthening military power among neighboring countries, according to the minister.

For these purposes, the ministry will soon present a blueprint for change which will include ways to improve the military structure and power as well as an innovative system of defense management, Yi said.

"The blueprint will even consider unification," he said.

He also reported that in order for the South Korean military to achieve balanced development, the ministry will adjust its distribution of the defense budget to 38.7 percent for the Army, 22.9 percent for the Navy and 21 percent for the Air Force, compared with the 46.3, 19.4, and 22 percent currently allotted, respectively.

In addition to strengthen the nation's military power the ministry will alter the focus of ground forces, training them for rapid mobile warfare and it will also make efforts to secure advanced naval destroyers, submarines and fighter planes.

Meanwhile, South Korea plans to conclude a special agreement on a "new cost-sharing system" at the Korea-U.S. Security Consultative Meeting (SCM) slated for November this year before seeking the National Assembly's approval, Yi explained.

Defense To Increase Combined Combat Strength

SK2309100695 Seoul SEOUL SINMUN in Korean
23 Sep 95 p 3

[Report by Pak Tae-chul]

[FBIS Translated Text] The ROK Defense Ministry has decided to increase the combined combat strength from the current 12.3 to 17.4 percent of the total combat strength of the three services by the year 2000, while continuing to pursue the balanced development of the three services through the development of natural resource-conserving and technology-intensive combat strength.

According to the status report submitted by the Defense Ministry on 22 September to Na Pyong-son, legislator of the Democratic Party and member of the National Assembly Defense Committee, the ministry invested

3,917.1 billion won from 1974 to 1995 to maximize the combined combat strength and has maintained the percentage of the combined combat strength at 12.3 percent. The ministry will increase the budget to 3,441.3 billion won for the period 1996 to 2000 to increase the combined combat strength to 17.4 percent.

About 46.3 percent of the defense budget or 14,784.8 billion won was allocated to the ROK Army from 1974 to 1995, but this will be lowered to 38.7 percent or 7,687.7 billion won for the period 1996 to 2000.

Kim Yong-sam Interviewed on Various Issues

SK2209132795 Seoul CHUNGANG ILBO in Korean
22 Sep 95 p 3

[Interview with President Kim Yong-sam by CHUNGANG ILBO Editor-in-chief Sin Song-sun at Chongwadae, presidential offices, on 20 September]

[FBIS Translated Text] [Sin] A month has passed since you began your second half of your term in office. What do you think was the most worthwhile and the most difficult chore after you became president?

[Kim] The most worthwhile are, of course, that I have enacted a real-name financial system, eliminated irregularities and corruption, and made election reforms. I have completely achieved democracy by inaugurating a local autonomy system and set the stagnant national economy down the road of continued growth. The most difficult was the North Korean nuclear problem. It was because we were almost on the verge of a war at one time.

[Sin] Have you have ever thought who should succeed you to continue the reforms? This concerns the discussions in the Democratic Liberal Party [DLP] on who should be your successor.

[Kim] It would be unusual if I did not think about it. Reporters asked the same question on the day of my inauguration. (laughter) If I talk about the succession at present when two years and five months still remain in my term in office, this will give rise to problems in my handling of state affairs as president. Also, it is not a good time to discuss this matter under today's circumstances. Anyone who raises the issue prematurely should realize that when the matter surfaces in due course, he will face disadvantage.

[Sin] You have frequently stated that you would ensure a generational shift in the next presidential election. Has this intention of yours not changed?

[Kim] We must not turn the clock back to the sixties or seventies. Reversing history that way would be unfortunate for the people. I intend to talk about

a generational shift as little as possible. Ensuring a generational shift in the next presidential election is what an absolute majority of people approves of. As president, I have the duty of responding to the people's absolute aspirations. And, I will ensure a generational shift without fail. I think that these aspirations will grow so strong that no one will be able to break them.

[Sin] What do you think are the qualifications for a next president?

[Kim] He, first of all, must have a high sense of morality and honesty. He must also have insights with which to present visions for the future of the country. I also think that he must have strong leadership, given the fact that North and South Korea are standing opposite each other.

[Sin] Some people say that the DLP needs an injection of new blood before the parliamentary elections.

[Kim] I would rather not comment at this point. (laughter)

[Sin] People of opposition parties say that they are sure that they can win the upcoming parliamentary elections. Is it not necessary for you to take extraordinary measures before the elections?

[Kim] (In a rather angry voice) The man who made those remarks said once that he would be elected president. Was he elected president?

[Sin] It is predicted that no party will be able to win a majority of seats in the elections if the current regional split continues.

[Kim] I can tell you that the ruling party will present a very different appearance in the parliamentary elections, unlike in the previous local autonomy elections.

North-South relations have entered a very important phase at present. I believe that our people do not want chaos at present and will choose stability by giving the ruling party a majority of the seats.

[Sin] What are the reasons the DLP was defeated in the local autonomy elections?

[Kim] I think there were problems in the DLP's selection of candidates. The current regional split was also a major factor.

[Sin] Then, you will surely select candidates based on their qualifications, will you not?

[Kim] Yes, of course. I can also clearly say whether one stands good chances of winning is another important factor.

[Sin] Some people say the DLP will have no choice but to be embroiled in the regional split. What do you

think of the proposal that a multiseat election system be adopted to eliminate the regional split?

[Kim] Merely changing constituency systems will not solve the problem. Among other things, no one must inspire regional animosity just to achieve political gains.

[Sin] Do you not think it necessary to revise the Constitution in favor of a four-year double-term presidential system, in place of the current five-year single-term system?

[Kim] My intention not to revise the Constitution during my term in office is unchanged. Five years will be a long time even if a president does his best.

[Sin] Opposition parties consider the recent investigations of politicians to be the suppression of opposition parties or investigations launched for calculated purposes. Would you continue the investigations of politicians?

[Kim] The efforts to eliminate irregularities and corruption will continue until my term is over. No one in any area will be excluded from the investigations if they did something wrong. Even cabinet ministers and relatives of mine were punished when they were found to have been involved in irregularities or corruption. I will neither deliberately seek to probe for irregularities or corruption of politicians nor hush up irregularities and corruption for political considerations.

[Sin] Some people say reconciliation and reform, which you have advocated these days, contradict each other.

[Kim] These two concepts complement each other. Reconciliation is intended to unite people from all walks of life into one, not to overlook irregularities and corruption. It would be very mistaken if people believe that my recent conciliatory measure signals that the reform has been over.

[Sin] North Korea has reportedly been facing food and fuel shortages. The recent flood has dealt a further blow. How will you handle the flood relief issue?

[Kim] The North Korean poverty is beyond description. I, as president, will not go into details. As for the flood

relief, another vessel left for North Korea today (20 September) to deliver rice, which North Korea needs most. One should not forget we are still delivering rice to North Korea. We need to examine the flood relief issue after watching the North Korean attitude at the third North-South talks in Beijing on 27 September.

[Sin] Do you talk about political matters with the first lady?

[Kim] Rarely. She once advised me that I should not devote myself to my job too much, because my term in office is not six months or a year. (laughter)

[Sin] Such important political events as the parliamentary elections and the presidential election are ahead one after another. Therefore, some people worry that the economy may suffer from political considerations.

[Kim] I make it clear that I will not sacrifice the economy to achieve political gains.

[Sin] People point out that our country's international competitiveness is low. Under circumstances in which it will be inevitable for us to open our markets, including the financial market, do you have any way to protect the domestic industry while preserving our international competitiveness?

[Kim] I will boldly loosen the restrictions to promote business corporations' competitiveness. We will open our financial market and other markets because it will benefit us. We must keep in mind that gaining international competitiveness in an era of limitless competition, instead of taking passive measures, is the only way for us to survive.

[Sin] Do you have any intention to lift the ban on public servants' playing golf?

[Kim] I did not ask anyone not to play golf. I intend not to play golf during my term in office.

[Sin] Thank you for your time for this interview.

[Kim] I again congratulate CHUNGANG ILBO for its 30th founding anniversary.

Burma

ABSDF Welcomes U.S. Senate Vote on Sanctions

*BK2509082995 (Internet) BurmaNet News in English
24 Sep 95*

[Statement issued by the Central Leading Committee of the All Burma Students' Democratic Front at the 8888 Camp on the Thai-Burmese border on 24 September]

[FBIS Transcribed Text] The ABSDF [All Burma Students' Democratic Front] warmly welcomes the United States Senate's approval of tough sanctions against Burma to ban all U.S. trade with, investment in, and travel to Burma.

We, the ABSDF respectfully congratulate Senator Mitch McConnell, a Republican from Kentucky and chairman of a key funding panel, who sponsored the sanctions amendment to the 1996 foreign aid bill, which was approved by the Senate by an overwhelming 91 to nine on September 21.

At present in Burma, there has been no new development following the release of Daw Aung San Suu Kyi, Nobel Peace laureate and the democracy leader of Burma. Approximately, 3,000 political prisoners are still detained and the SLORC [State Law and Order Restoration Council] military regime still intends to reconvene its sham National Convention.

In addition, there has been no response by the SLORC to an offer by Daw Aung San Suu Kyi to make dialogue for national reconciliation and internal peace.

It is a crucial time for democratization in Burma and we firmly believe that the international community must take further action against the military regime which rules the country against the will of the people.

We highly appreciate the support of the United States for democratization and human rights in Burma.

On behalf of the people of Burma, we the ABSDF appeal to the President of the United States to pass the bill and implement effective economic sanctions against Burma until the goal of democracy in Burma has been achieved.

Heavy Fighting Between Wa, Shan Troops Reported

*BK2309125095 (Internet) BurmaNet News in English
21 Sep 95*

[FBIS Transcribed Text] Muang Mai, 20 September 1995 — The long awaited 'D-Day' attack by the Wa troops against the Shans in the Yawn valley, north of Mae Ai District, Chiang Mai Province of Thailand, began yesterday morning, according to Shan high command.

The Wa opened up their biggest-ever attempt to chase the Shan rebels from the area by generous shelling of their fire bases which lasted for four and a half hours.

The attackers, which included, apart from the Wa, contingents from the Palaung, Kachin and Lahu member-groups of the so-called Peace and Democratic Front, followed the heavy shelling by charging the heavily defended Shan stronghold. They however gave up their fruitless human-wave charges which produced no more than several casualties — and quarrels as well — among themselves. Exact figures of losses on both sides are, at the time of this reporting, still not available.

Meanwhile, the Shan monks of Thailand, meeting in Chiang Rai on 14 September, again called on both the Muang Tai Army and the renegade 'Shan State National Army' of Major Karnyord to refrain from using violent means to settle their differences.

NCGUB Issues Statement on Coup 7th Anniversary

*BK2209164995 (Internet) BurmaNet News in English
20 Sep 95*

[Statement by the National Coalition Government of the Union of Burma on the 7th anniversary of the military coup in Burma; issued in Washington on 18 September]

[FBIS Transcribed Text] Seven years have passed since the Burmese military brutally cracked down on the nationwide popular democracy movement and seized the state power against the will of the people. Despite the massacre and sustained persecution of democracy activists, aspirations for democracy and human rights remain as strong as ever among the people. With seven years of struggle behind it, the Burmese democracy movement has matured and is getting stronger with time.

The morale of the democratic movement has also been greatly boosted by the recent release of Daw Aung San Suu Kyi, who despite spending six years of house arrest, is as determined as ever to bring democracy to the motherland. Every individual and organization in the democratic movement have expressed their warm welcome to her return to politics and to her leadership in the second struggle for independence of Burma.

Daw Aung San Suu Kyi's release only marks the beginning of another round of struggle and hence the democracy movement cannot afford to let its guard down. This is because apart from her release, nothing else has changed.

SLORC [State Law and Order Restoration Council] until now, has not responded to Daw Aung San Suu Kyi's offer of a dialogue, and people, under laws and orders

designed to serve the SLORC, are still being intimidated and restricted from freely participating in the political process. Gross human rights violations, such as portage and forced labor, are continuing throughout the country. Thousands of political prisoners continue to languish in prisons under horrible conditions, and SLORC's national convention to legitimize the leading role of the military in the future political life of Burma is still in progress. The policy of armed confrontation is still being pursued against the ethnic people and the Karenni National Progressive Party became a victim to this policy recently when SLORC breached its own cease-fire agreement and attacked the Karenni people.

The NCGUB [National Coalition Government of the Union of Burma] therefore takes the opportunity of this sad September day to call on all the patriotic forces in and out of Burma to draw strength from the memory of those who had given up their lives for the cause of democracy and to redouble their efforts to end militarism in Burma. The democratic movement needs to prepare itself with courage, perseverance and wisdom to overcome the final obstacles to democracy. It is the historic duty of all the citizens of Burma to join in this noble cause, because, as Daw Aung San Suu Kyi has said, the struggle for democracy and human rights is also a struggle for human life and dignity.

The NCGUB also wishes to call on the international community to realize the critical role it plays at this phase. Opportunities are open to the international community, and given the right action, the long-sought for comprehensive political settlement in Burma will be achieved without fail. Any hesitation in its action will only give SLORC a tactical advantage and diminish the chances for a dialogue for national reconciliation.

These are the concrete steps the international community can take to help Burma:

(1) Strengthen the personal safety and freedom of Daw Aung San Suu Kyi:

- a) ambassadors accredited to Burma visit her regularly,
- b) official delegations visit her routinely, and
- c) eminent persons visit her at regular intervals.

(2) Increase the support for the organizing work of the Burmese democracy movement at grassroots level;

(3) Step up the mediation efforts by the UN Secretary-General

- a) support strong resolutions at the UNGA [UN General Assembly] and Human Rights Commission,

- b) urge governments to fully back the efforts of the UN Secretary-General

- c) ensure all private mediation efforts complement those of the United Nations

- d) lobby on behalf of the Burmese people at the United Nations

(4) Impose arms embargo and trade sanctions against Burma.

With the growing movement for democracy at home and an increasingly coordinated pressure by the international community overseas, we expect to see democracy and human rights come to Burma without fail.

Brunei, Malaysia & Singapore

Malaysia

Article Urges ASEAN Unity for Prosperity

BK2509081895 Kuala Lumpur THE STAR in English
25 Sep 95

[Article by V.K. Chin under the rubric "Comment": "ASEAN Unity Vital to Joint Prosperity" — received via Internet]

[FBIS Transcribed Text] Asean is finding it difficult to play a more extensive role in an Asian context. Its move to form the EAEC [East Asia Economic Caucus] is a good example and it is being opposed by some Western powers and willy-nilly by Japan as well.

Its participants for next year's Asia-Europe Leaders' Meeting (Aseam) [acronym as published] is also being challenged. Western powers are unhappy that such a meeting should be confined to countries in Asia.

Some of them have insisted that Australia and New Zealand should be included as they claim that these two South Pacific countries are part of Asia as well. This is really stretching things a bit.

These outsiders are determined to rewrite geography as it is known.

Canberra in particular has always tried its best to keep out others from the Pacific region which it regards as its own backyard.

Now all of a sudden, it has insisted very strongly that it has always regarded itself as part of Asia all along. Just wondering what happened to the White Australia policy. Did it really exist or was it just part of Asia's fertile imagination?

No government in its right mind would like to keep Australia and New Zealand at arm's length as both have

much to contribute towards the economic, educational and security development in the Asia Pacific region.

There have been much co-operation in these fields for many years now but this does not qualify them as Asian. They are roles which Canberra and Wellington can play but this does not mean that they have to be included in every activity.

They will have to show their sincerity first before they can hope for more. Australia, for example, has always considered itself as Asean's friend but this has not stopped some of its politicians, officials and even corporations to use some of its members to drive a wedge in the organisation.

They have purposely gone out of the way to be friendly with some members in order to get these governments to make Australia part of East Asia. If Australia is really sincere in wanting to do business with the group, surely it is better to have seven partners rather than two or three.

As for the Asia-Europe summit in Bangkok next year, Asean would like to stick to the present participating countries. Countries in the sub-continent definitely have a greater legitimacy to be included in such future discussion.

It is of course up to Japan whether it wants to insist that Australia and New Zealand should be included or not before deciding to participate in the meeting.

Unfortunately, some Asean members for their own self interest appear to be acting as proxies for Canberra. An impression has been created that Malaysia is the only member which is against the participation of Australia and New Zealand.

If Asean is to play a more positive role in regional and world affairs, there must be unity among its members. There cannot be a situation where they stand together on certain issues but go their separate ways on others.

Malaysia's economic growth has created some envy in the region and elsewhere and it is only understandable that some attempts would be made by the Western powers to put Kuala Lumpur in its place.

Western powers have been irritated by some of the strong statements emanating from Kuala Lumpur on various international issues and they have definitely not gone well in some of the world capitals.

It will be a sad day if some Asean governments should be used by outside forces to split Asean's unity. So long as they stand together, their chances of prospering together will be so much better.

Daily Criticizes Foreign Media Reportage

BK2209142795 Kuala Lumpur *BERITA HARIAN*
in Malay 22 Sep 95

[Editorial: "Beware of Distorted Reports by Western Media" — received via Internet]

[FBIS Translated Text] The big power countries have always considered themselves to be doing the right thing. They have never admitted their weakness in any area at all. All this is done with the aim of oppressing others. Prime Minister Datuk Sri Dr. Mahathir Mohamed has expressed uncertainty over the World Trade Organization (WTO) in giving aid to weaker countries. We are not saying that the big powers have never given aid to needy countries at all, but there is an element of insincerity when they do so. The big powers will look at the advantages they can derive from these countries before giving aid. If a small amount of money can influence the sentiment of the people in that country, then aid will be given. The aid will have to be reciprocated with great sacrifice. Many countries have been forced to obey the instructions of big powers as a result of having received aid. If the weaker countries refuse to comply with the hidden and unwritten conditions, they will have to solve their problems themselves. When debtor nations are under heavy pressure, it becomes easier for the major powers to control them physically and mentally.

This is not a new game of the big powers. They put a high price on every aid grant given to needy countries. They will make sure that they are able to influence the people's way of thinking and values in the country that has gained their sympathy.

To date, many countries have tried many ways, either individually or in groups, to change the attitude of the big powers, to view their aid to developing countries as part of their social responsibility to the world. In trade, the big powers should not impose barriers or conditions that are difficult to comply with. Developing countries should be also allowed to trade with each other freely without being threatened by any party. We do not see the need for the big powers to fear the concept of common prosperity among developing countries. For example, the big powers always want to gain something from every idea proposed by developing countries.

Unfortunately, when a country is not afraid of challenging the arrogance of the big powers, action will be taken discreetly against it. Lately, many negative reports about Malaysia have been spread through institutions that the big powers have an interest in. Yesterday, Professor Abu Bakar Rafique Ahmed of Bangladesh, lecturer of Divinity Studies at the International Islamic University, said that the Western media often projects the negative

side of a certain country. He said the Western media is more interested in disseminating negative than positive news. He was referring to the foreign agency's report on Malaysia's ill treatment of Bangladeshi workers published in his country.

Being an intellectual, we feel that Abu Bakar must have stated his opinion basing on the facts he had gathered from research. Certainly, he must have received accurate information on the matter. As originating from Bangladesh, surely he will not take sides with Malaysia if the allegation is true. However, he has to give an explanation on the matter because he knows that the Western media likes to blow some stories out of proportion.

We have to accept the fact that transnational news agencies provide about 80 percent of the world news. The news that they channel have been processed and censored. Perhaps the facts have been twisted, too. Transnational media present reports on developing countries are based on how they look at the world. Their reports indirectly indicate that they are protecting the interest of a particular country. For this reason, the news that they project are on crises, demonstrations, social discontent, and so on. They probably ignore the important news. They like to concentrate on information that will evoke public response in the country where the media's reports are published. They use this type of news in countries that subscribe to the news agency. The news about the Bangladeshi workers in Malaysia have definitely found a place in the home country after this was broadcast by the news agency.

Although we recognize the significant function of news agencies, they should produce balanced reports. They should take into consideration the impact of news that contain an element of hostility.

Action Soon on 'Deviant' Islamic Movement

BK2309141695 Kuala Lumpur THE STAR in English 23 Sep 95

[Report by Shamsul Akmar — received via Internet]

[FBIS Transcribed Text] KUALA LUMPUR — Pusat Islam [Islamic Center] will take action soon against a deviant religious movement headed by a prince of a ruling Sultan. Minister in the Prime Minister's Department Datuk Dr Abdul Hamid Othman said the movement had been monitored for the past three months and its activities were found to be against the teachings of Islam.

He said the movement, based in a prestigious residential area, comprised several prominent figures and had managed to cover itself from the authorities.

"However, we have gathered enough evidence and we will take action against it. Apart from the prince, other leaders in the movement are prominent individuals," Dr Hamid told *The Star* yesterday.

He said the movement was a chapter of the Nakshabandiah group which had been banned a few years ago. The movement, with its origins in Syria, reportedly has a following in Turkey and Indonesia.

"Members of the movement are highly educated with impressive academic and professional qualifications," Dr Hamid said.

He said the movement held their functions in a house in a prestigious area here on Thursday nights.

Their activities, he said, had deviated from the aqidah (faith) and some of the zikir (chanting) were against Islamic practices.

"The members feel that they are secure in the movement just because their leaders included the prince.

"We have not acted thus far because we have been trying to establish their activities and how far deviated they are from the teachings of Islam," he added.

Dr Hamid said the movement was influential because people were easily convinced by the leaders as they were from the cream of society.

"We also discovered that some people became members because they wanted to get close to the leaders with economic considerations in mind. "Many of the members had benefited from their association with the leaders as they had been favoured with loans and projects," Dr Hamid said. He said Pusat Islam discovered that the movement had been sponsoring leaders from the Nakshabandiah group to come to Malaysia to further spread the teachings.

"The sponsorship came from powerful individuals who are prominent in the banking and financial institutions," he added.

Singapore

Industrial Development Site Reserved in Cambodia

BK2209140895 Singapore BUSINESS TIMES in English 22 Sep 95

[Unattributed report — received via Internet]

[FBIS Transcribed Text] Singapore—Cambodia has reserved for Singapore a 200-hectare site near the capital, Phnom Penh, for development into an industrial zone.

Cambodian First Prime Minister Norodom Ranariddh told **BUSINESS TIMES** in an interview yesterday that he was requesting the Economic Development Board for assistance in developing the zone, which will be the first major Singapore development in the country.

Singapore firms have invested over US\$250 million in Cambodia in ventures ranging from a brewery to a dry port.

"Our need for an industrial zone is critical and urgent, otherwise it will be complete anarchy in the manner in which light industry is springing up everywhere in Cambodia.

"We have to provide investors in that zone a comprehensive package—enough electricity, water, manpower, and transport facilities from the zone to the port in Sihanoukville, and to the river port in Phnom Penh.

"Before coming to Singapore, I discussed the matter with the mayor of Phnom Penh, and we have identified the location for it."

Prince Ranariddh also disclosed that he had offered Singapore firm Lee Rubber a project to build a multi-million dollar latex factory and rubber plantation.

Lee Rubber officials had talks with him on Wednesday and would soon send a team to Cambodia to look into building a new rubber plant in Memot, Kompong Cham province.

On the site now sits a disused plant that dates back to the regime of his father, Prince Sihanouk, in the 1960s.

"I invited Lee Rubber to send a team to Cambodia as early as possible, and they are very happy to do so," he said.

The owner of Lee Rubber, Singaporean banker Lee Seng Wee, has been ranked among the world's 200 richest people by *Fortune* magazine.

Prince Ranariddh said Cambodia is currently going through a process of privatising its rubber plantations.

There are a few provinces suitable for rubber plantation such as Kompong Cham, Kratie, Mondolkiri, Ratanakiri, and a part of Stung Treng, he said.

"Nowadays we only export raw materials, which is a waste for Cambodia. Now that Lee Rubber and the French, too, are interested, we can set up smaller factories around the larger latex plants, and we can produce and export processed products."

Lee Rubber has sourced rubber in Cambodia for several years. In 1990, Cambodia exported to Singapore commodities such as rubber, timber, soybean, corn, rattan,

resins, ox hide and dried fish worth US\$35.57 million, with rubber taking up a large chunk.

Editorial Sees Closer Ties With Indonesia

BK2409133995 Singapore THE STRAITS TIMES in English 23 Sep 95 p 36

[Editorial: "A Higher Level of Ties"]

[FBIS Transcribed Text] Relations between Singapore and Indonesia took an important step forward on Thursday when they signed two agreements on cooperation in civil aviation and military training. The first accord assuages one of Singapore's key vulnerabilities, the lack of airspace. Prime Minister Goh Chok Tong underlined its reality graphically in his National Day Rally speech last August. "The moment you take off from Changi Airport, you are flying in someone else's airspace — either Malaysian or Indonesian," he said. "If you look out of the window, you will see either Johor or Batam, not Singapore." That will still be the case, but the civil aviation accord will benefit Singapore because it delegates Indonesian airspace of up to 90 nautical miles south of the city state to the republic's air traffic control. This is an extension of the previous limit of 75 nautical miles, and Changi Airport will control, apart from airspace, landings and takeoffs at airports in Batam and Bintan. It will also collect air navigation charges in the airspace it manages and pass them on to Indonesia. Indonesian Communications Minister Haryanto Dhanutirto, who signed the agreement with his Singapore counterpart Mah Bow Tan in the presence of President Suharto and Mr. Goh, said that his country viewed itself as a close neighbour of Singapore and had offered it control of air traffic.

This is gratifying, particularly because a few Indonesians have unfortunately seen such moves as either grating on their country's sovereignty or not protecting its interests sufficiently. Their fears are misplaced. Indonesia retains sovereignty over its airspace, of course. As for interests, the new agreement is actually designed to prevent problems over air traffic control. Changi will treat airlines, whether Singapore or Indonesian, on a first-come-first-served basis. Indeed, as Mr. Haryanto noted, the accord is a significant one because planes taking off from Batam at night have had to contend with extremely busy conditions at Changi. Now, if an aircraft in Batam asks permission first for takeoff, Changi will serve it first. What the agreement signifies is how cooperation furthers the interests of both countries. It is a mutually beneficial pact that should ensure that the increasing air traffic in the region continues to be handled in the most efficient and effective manner. The Indonesian leadership must be commended for holding to this view of relations with Singapore.

Likewise for the military training areas pact that was signed. The agreement, which is in addition to accords covering the use of air weapons and air combat manoeuvring ranges in Sumatera, will allow Singapore's Air Force to conduct aircraft training and testing in airspace over two parts of Indonesia. The earlier accords were mentioned in Parliament last March as part of Singapore's strong and robust defence relations with neighbouring countries; the new agreement will deepen that relationship.

Ultimately, the relationship is a complementary one, with economic cooperation as a fundamental pillar. What is illuminating is how both similarities and differences between the two countries have created the basis for a mutually beneficial relationship. As Mr. Goh remarked when opening the Indonesia-Singapore Exhibition the same day, each had a stake in the other's economic development and prosperity; both could achieve more by continuing to work together closely. Mr. Suharto agreed, noting how the southern growth region had led to similar initiatives elsewhere in ASEAN. Indeed, Batam's economic takeoff symbolises the possibilities of what some have called "collective competitiveness." Competition will certainly be there, but it will be healthy, as is natural among two close neighbours.

Cambodia

King Sihanouk Refuses To Sign Press Law

BK2109093295 Phnom Penh THE CAMBODIA
TIMES in English 17-23 Sep 95

[Unattributed report — received via Internet]

[FBIS Transcribed Text] PHNOM PENH — King Norodom Sihanouk has refused to sign the country's controversial new press law that takes effect on September 9.

In a message faxed to AFP recently, King Sihanouk, who has been a strong advocate of press freedom since retaking the throne two years ago, said he could not sign the law as he disagreed with several of its articles.

The law calls for jail sentences and heavy fines for publishing material that affects "political stability" and allows the ministries of interior and information to confiscate and close newspapers without a court order.

It was signed by National Assembly president Chea Sim, who serves as acting head of state when the King is out of the country, on August 31 just hours after the monarch left on a state visit to Indonesia.

"Concerning the press law, my position regarding certain articles of this law is different from that of the RGC (Royal Government of Cambodia) and the National As-

sembly," the King said in his fax, a reply to a query about why he did not sign the law. "It is for this reason that I told (Chea Sim) that I could not sign this law and that if he...wanted to sign it, he could do so in my absence," King Sihanouk said.

The law was passed by the parliament in mid July.

The King, who has said he would have the "right and obligation" to pardon convicted journalists hinted he did not object more fervently to the law because "we respect the personal convictions of each among us that concern various Cambodian problems."

Human rights groups and the United Nations Special Representative for Human Rights in the country have expressed serious concerns over the law in its present state as it does not define the terms "political stability" or "national security."

Though the law removed criminal penalties for libel and defamation, the groups has said the law can still be used to clamp down on dissent and jail prisoners of conscience.

Meanwhile in a letter written on August 28, King Norodom Sihanouk made it clear that he has not changed his mind about ASEAN, an association initially set up by U.S. allies to counter a perceived communist threat. What has changed, he says, is the whole regional geopolitical and economic situation.

In the letter the King argued that, "Cambodia in the Sangkum Reas Niyum era, in the 1960s, could afford to remain outside ASEAN, as it was united, strong, economically independent, and had the means to progress in all areas of its national construction by itself".

However, he continued that the country in the 1990s is facing a less favourable conjuncture, which means that membership of ASEAN would present it with two advantages.

"First on the socio-economic level, the 'ramshackle carriage Cambodia' would be able to go a bit forward if it was drawn by the '(powerful) ASEAN locomotive'.

The King argued, "Second, Thailand and Vietnam tend to question the line of their land and sea borders with Cambodia. As our large neighbours are inside ASEAN, Cambodia would profit from also being inside ASEAN. And this in order to avoid being too 'handicapped' in talks with our powerful Aseanist' neighbours."

The King ends his letter by saying he has decided to request membership of ASEAN.

Leaflet Distributors Released at King's Request

*BK2109102495 Phnom Penh REAKSMEI
KAMPUCHEA in Cambodian 21 Sep 95 pp 1, 2*

[FBIS Translated Excerpt] The six men who were arrested by the authorities and temporarily detained for six weeks at K-3 prison under a court order on charges of incitement were released on 18 September. These men were arrested for distributing leaflets tied to balloons that were critical of the government during a visit by U.S. Secretary of State Warren Christopher.

Judge Nop Sophon told the press: "The six men were only hired to release the balloons to which the leaflets were tied; therefore, they did nothing wrong." A CHARTO [expansion unknown] lawyer said: "The court decided to release the six men because it did not have enough evidence to charge them and because of the king's request for their release." [passage omitted]

Son Sann To Meet With Ieng Muli To Heal Rift

*BK2409105095 Phnom Penh REAKSMEI
KAMPUCHEA in Cambodian 27 Sep 95 p 12*

[Report by Srei Neat; date of publication as received]

[FBIS Translated Excerpt] Samdech Son Sann has shown a new attitude aimed at deterring the crisis within the Buddhist Liberal Democratic Party [BLDP], which has recently been split into two. The attitude emerged after the Samdech received a letter from the Interior Ministry regarding his plan to hold a congress on 1 October.

Pol Ham, a senior BLDP official leaning toward Samdech Son Sann, told REAKSMEI KAMPUCHEA on the morning of 21 September that in the wake of a meeting on 20 September, the best solution was selected to solve the internal problem. In the other words, talks should be held between Samdech Son Sann and Ieng Muli, who have both declared themselves to be BLDP chairman.

Pol Ham added that Samdech Son Sann had already set a date to talk and reconcile with Ieng Muli. He said that he and Koem Sokha would invite and hold preliminary talks with Ieng Muli. Pol Ham added: We will try as much as we can to reunite the party. [passage omitted]

Strengthening Ties With ASEAN States Urged

*BK2309140695 Phnom Penh National Radio of
Cambodia Network in Cambodian
1300 GMT 22 Sep 95*

[Unattributed commentary]

[FBIS Translated Text] The Cambodian king's recent trip to Jakarta and Kuala Lumpur and the grandiose

welcome given by the countries' leaders is evidence that Cambodia has already regained its status and role, which it lost during the bloody war of nearly two decades.

Foreign Minister Ing Huot, before his two-week diplomatic tour of North America, South America, and the Caribbean region, said: I want to tell the people there that the situation in Cambodia is better and is progressing with each passing day. The Khmer Rouge issue, previously regarded as an obstacle, is no longer an obstacle. Cambodia has not only regained its UN seat, which had been occupied by this or that party, but has also regained all of its UN structures, such as being a member of ESCAP [Economic and Social Commission for Asia and the Pacific], APEC [Asia-Pacific Economic Cooperation], and the Mekong Committee. Although these memberships are not yet full-fledged, they have already paved the way for Cambodia to step inside.

Speaking at the 28th ASEAN meeting in Bandar Seri Begawan of Brunei where Cambodia was granted observer status, Ing Huot also underlined Cambodia's willingness to seek membership to the APEC regional forum. Cambodia hopes that membership would be granted, allowing it to attend the next APEC meeting, which is to be held in Osaka, Japan next November. Cambodia has also regained its membership to ESCAP, which is headquartered in Bangkok and at which the Khmer Rouge used to speak on the Cambodian people's behalf.

The bilateral relations between Cambodia and Thailand are seen as improving remarkably. During the recent visit to Cambodia by Thai Foreign Minister Kasemsamosan Kasemsi, a five-point solution was adopted. So if the most impressive issue of border stability and safety is earnestly dealt with, this will lead to the opening of more trade gateways.

In the near future, Thai Defense Minister Chawalit Yongchaiyut will be paying a visit to Cambodia. It is expected that the issue of cooperation by the Cambodian-Thai Joint Border Coordination Committee, which is directly headed by the Defense Ministry, will be solved.

Other problems will also be solved as pledged by the high-level delegation led by Kasemsamosan Kasemsi.

Despite the rapprochement, Thailand and Cambodia still have many outstanding problems. Even though both sides have pledged to solve them, the problems are considered a thorn in the palm of a hand; one will be pricked if one closes his hand.

The Khmer Rouge, which is the one and only group of rebels opposing the government, has been accused of maintaining economic and trade deals with Thailand,

which ruin Cambodia's natural resources. Thai authorities have strongly, then vehemently, denied it. Nevertheless, sources close to the trade deals have remarked that timber and precious stones are still exploited by the Thais in the Khmer Rouge-controlled areas; the Khmer Rouge earns \$1.5 million weekly.

It is believed that another issue upsetting Thailand is the trade and investment by Thai businessmen in Cambodia. Problems have arisen from the fact that by hurting the Cambodian culture, Thai investors did not observe the law. A [Thai] floating hotel was removed and has not operated for over a year. IBC [International Broadcasting Corporation] television's programs have been criticized by the people and the civil servants, and is said to have reduced its business. Thai investment capitals have fallen speedily. Previously, Thailand was one of the major investors in Cambodia. Lately, the Royal Government of Cambodia [RGC] has changed its attitude toward Thai investors.

Ing Kiet, deputy prime minister and minister of public works and transport, recently told Sakthip Krairoek, Thai Ambassador in Phnom Penh, that he would allow the floating hotel to resume its activities, but the problem that still exists is its location.

First Prime Minister Prince Krompreah Norodom Ranariddh has also urged IBC to improve its service.

Last month, Thai investors signed a deal to build a five-star hotel in Siem Reap Province. This is believed to be a new step for the two sides to change their attitude in the bilateral relations.

The promotion of diplomatic ties with Vietnam is also regarded as a special situation. The RGC considers relations with Cambodia's neighbors to be special and necessary for the development of the country.

The exchanges of the two countries' high-level delegations are considered to be helping relations improve. Vietnamese President Le Duc Anh came to Cambodia and called on the Cambodian king. He invited the king to pay a visit to Vietnam in the near future.

Although the Cambodian-Vietnamese relations have improved to some extent, a great many issues are still outstanding.

His Excellency Ing Huot, who just returned from Hanoi, is believed to have solved some of the major problems there. The issue of passage via the Mekong River and the issue of the movement of Cambodian ships are not yet definitely resolved. Cambodian goods that need to pass through the river must wait for a week so someone can fly from Ho Chi Minh City to Hanoi to request a decision from the Vietnamese trade minister. This

action has greatly delayed the process on the Cambodian side. The latter has demanded that Vietnam abide by international law, according to which the Mekong River is an international channel.

It is suspected that the hindrance is caused by rigid red-tape procedures, but it is also believed that Vietnam intends to create difficulties for Cambodia so as to put pressure on it with regard to the enforcement of the immigration law.

There is still great hope that during the first prime minister's visit to Vietnam next January, this problem can be resolved once and for all.

Another impressive issue is the enforcement of the immigration law. There are now hundreds of thousands of ethnic Vietnamese living illegally in Cambodia.

In sum, diplomatic relations with the major neighboring countries have improved. The recent acceptance of Cambodia as an [ASEAN] observer constitutes great pride for Cambodia. Nonetheless, Cambodia's weak point in diplomacy is that it does not have embassies in every ASEAN member country or enough overseas diplomats. Cambodia's ability is still limited.

According to Ing Huot, Cambodia plans to set up embassies in the six [ASEAN] states. At a recent seminar attended by all of Cambodia's diplomats, many of their weak points were highlighted. They were unable to grasp every issue and could not react in a timely fashion. However, there is still great pride because after all the efforts that have been made, the reputation of the Kingdom of Cambodia has been recognized; beforehand the name of Cambodia was almost forgotten.

It is thought that Cambodia should continue to soften its stance regarding its diplomatic works. The strengthening of diplomatic ties in the international arena, specifically with the ASEAN block, is a must.

Commission Accepts Troop Complaints on Shortages

*BK2209114295 Phnom Penh REAKSMEI
KAMPUCHEA in Cambodian 22 Sep 95 pp 1, 2*

[FBIS Translated Excerpt] The 1st Military Region and its dependent divisional units have made similar requests to Bou Thang, chairman of the commission in charge of the interior, national defense, investigation, and suppression in the National Assembly [NA], during his recent inspection tour of Stung Treng Province. [passage omitted on geographical description of the province]

The 1st Military Region, which controls only three provinces but which occupy one-third of the coun-

try's territory, has made several requests. General Kham Chan, acting commander of the military region, has asked the NA commission to intervene in urging the Agriculture Ministry to allow it to open a small sawmill to process the remaining logs for building army barracks. He has also asked the Defense Ministry to issue a circular allowing the Khmer Royal Armed Forces to obtain land for development by the army. In addition, he also asked that the families of combatants be provided with financial and rice aid, that combatants be paid a basic salary every month and not every three months, and that financial assistance be given for the restoration of the regional hospital and to help the medical staff.

For his part, Major In Vireakchet, commander of the 42d regiment, explained about the hardship suffered by his unit due to the delayed delivery of food supplies and medicine, and the payment of salaries by the higher authorities. He has also requested a number of things, including utensils for his unit's kitchen.

Meanwhile, the regional hospital's representative said the hospital was old and dilapidated. He added that it was also short of medicine and medical equipment and lacked the money to repair a defective X-ray machine.

The NA commission also received requests from the Stung Treng Province's Operational Zone. Brigadier General Heng Khamvan, commander of the provincial operational zone, asked that a small sawmill be allowed for the purpose of building the armed unit, that money for building the barracks along the border be granted, and that medicine be supplied. He also asked that combatants be paid regular monthly salaries and that enough uniforms be given, according to the quarterly or yearly quotas.

All the requests were accepted and recorded by the NA commission. [passage omitted on the NA commission chairman's pledge to bring the requests to the attention of the ministries concerned]

Government Troops Besiege Rebel Base of An Seh

*BK2209110095 Phnom Penh REAKSMEI
KAMPUCHEA in Cambodian 22 Sep 95 pp 1, 3*

[Report by Peyatro]

[FBIS Translated Text] Two government soldiers have been killed in an attack by a group of 150 Khmer Rouge [KR] rebels at Sre village, 2 km from Rovieng District in Preah Vihear Province.

The next day, the surrounded KR troops in the An Seh area fired several 82-mm mortar and DK rounds from their positions.

In the wake of the two attacks on important government troop positions east of the Preah Vihear temple [on the Cambodian-Thai border], a Thai observer aircraft was seen flying above An Seh which is under KR control.

Army Commander General Nhoek Bunchhai said on 20 September: The KR troops are playing tricks by ordering small units of 10 or 15 men to attack our positions. This is to lure us to counterattack. But, how can we with Thai soldiers behind them. If we attack, stray bullets will hit the Thai troops on their soil. Then, problems with Thailand will certainly arise.

Commenting on An Seh, the general said: The number of KR troops there is insignificant. We are presently encircling them. Mines, punji stakes, and the rainy season are all our main obstacles, but the KR troops can no longer advance anyway. We are now closing in on them. We have even managed to occupy all the mountain tops. As a result, the KR-controlled zones along the border with Thailand have progressively shrunk. The KR is not able to move its troops in or out at present.

Although the KR troops in the An Seh area face an eventual great danger, there is apparently no sign that they will yield.

Philippines

Manila 'Set To Junk' U.S. Offer on Quota

*BK2509094195 Manila PHILIPPINE DAILY
INQUIRER in English 22 Sep 95 p B1*

[Report by Corrie S. Narisma]

[FBIS Transcribed Text] The row between the Philippines and the United States over the luggage quota issue may turn for the worse as Manila is set to junk Washington's improved offer and pursue its complaint now pending with the World Trade Organization (WTO).

The government, which was poised to accept the much-improved luggage quota offer of the United States Trade Representative (USTR) office Wednesday, made a complete turnaround when it learned that Washington was inclined to give Thailand, the biggest luggage exporter to the United States, a better deal.

Instead of setting quota levels, sources said the USTR is set to call off plans to impose restrictions on Thai luggage exports. Although this has yet to be decided formally, sources said Washington was to make the announcement within the next two days.

Both Thailand and the Philippines lodged a complaint earlier with the Geneva-based Textile Mediation Board (TMP) of the WTO against the U.S. Government's

move to reimpose quota restriction on luggage after the restriction was removed early April.

The USTR claimed quota restrictions will be reimposed on the grounds that luggage imports might cause injury to the U.S. domestic industry.

The Philippine Government originally sought a complete removal of the restriction. However, it decided to agree on the reimposition of the quota to settle the issue provided it will be set at higher levels.

The local textile industry asked for a quota of 15 million kilos or almost double the 7.7 million kilos offered by USTR.

In a bid to get the complaint with WTO withdrawn, the USTR changed its mind and offered a higher quota of 13.5 million kilos.

Sources admitted that local luggage exporters were elated with the improved offer but the Philippines might reject it if Washington would pursue a plan to remove the restriction on other country- suppliers.

"Our (luggage) export is just a drop in the bucket and we are the ones being slapped with restriction," the sources said.

The Philippines is pushing for a quota-less system for luggage exports since it is one area where the local industry is competitive.

Panamanian President Perez Ends Visit

PA2209170295 Panama City Telemetro Television Network in Spanish 1730 GMT 21 Sep 95

[Report by Alfredo Molina; from the "Telemetro Reports" newscast]

[FBIS Translated Text] President Ernesto Perez Balladares ended his working tour of the Philippines. We have more details with Alfredo Molina.

Following his trip to Japan, Taiwan, Hong Kong, and the Philippines, the president's next stop will be San Francisco, California where he will meet with U.S. businessmen interested in developing ports in Panama, in both the Pacific and Atlantic sides, as well as the country's railroads.

Another interesting aspect of the news conference was that the president reiterated that he would submit a report to the Legislative Assembly on his tour to the Orient. He also pointed out that he would review with the Legislative Branch the possibility of creating special and flexible conditions for the creation of exporting zones.

Perez Balladares said he is pleased about his trip to the Orient and that follow-up work will be fundamental for

the fulfillment of his government's objectives to attract foreign investment, the president said. He said his tour should not be seen as a political gain, but as an economic gain for the benefit of the Panamanian people.

The Asia-Pacific Economic Cooperation, which has 18 members, is an organization, which Panama hopes to join. It will possibly do it before the end of 1996. A meeting will be held in Subic Bay, Philippines around that time.

As for the Panama Canal, Perez Balladares said he will continue to explore the future of the U.S. bases bearing in mind the results of a survey conducted in Panama on the topic.

'Bloody Confrontation' With MILF Averted

BK2509083195 Manila PHILIPPINE DAILY INQUIRER in English 21 Sep 95 p 3

[FBIS Transcribed Text] A bloody confrontation between government forces and some 14,000 Muslim guerrillas in Matanog town, Maguindanao, has been thwarted, the defense department reported yesterday.

Defense Secretary Renato S. de Villa made this announcement in yesterday's press conference in Camp Aguinaldo.

De Villa said tension in the area has been diffused after AFP [Armed Forces of the Philippines] Chief of Staff Gen. Arturo Enrile convinced the two groups to withdraw and allow the military engineers to complete their road projects.

Enrile had earlier met with leaders of the local peace and order council and other government leaders — who acted as go-between for the Moro Islamic Liberation Front (MILF) — to settle their "misunderstanding," De Villa revealed.

De Villa said that the "eyeball to eyeball" situation occurred when the MILF mistook the deployment of military security forces — three battalions from the Army's 6th Infantry Division [ID] — as preparation to attack the rebels' stronghold in Maguindanao.

Reports said the MILF rebels have been fielded in strategic locations in Matanog to thwart any offensive by government troops securing a road project linking Maguindanao and Lanao del Sur.

Brig. Gen. Renato Urgello, commander of the 6th ID, led the forces tasked to provide security to the AFP engineering team currently working on the Parang-Malabang Road which stretches from Cotabato City to Marawi City.

De Villa said the situation prior to the dialogue was "very tense" as the two forces were just 300 meters from each other. This prompted some residents to evacuate fearing a bloody confrontation.

When informed of the tense situation, Enrile immediately flew to Maguindanao, went to the area and tried to persuade the military commanders and the local leaders — speaking in behalf of the MILF rebels — to maintain peace in the area and ensure that there will be no confrontation.

De Villa said the situation in the area was back to normal as of yesterday afternoon.

MILF Rebels Attack Town in Maguindanao

BK2509092795 Manila PHILIPPINE DAILY INQUIRER in English 22 Sep 95 p 18

[Report by Nash Maulana and Charlie C. Senase]

[FBIS Transcribed Text] Cotabato City — Some 600 rebels of the Moro Islamic Liberation Front (MILF) sieged the old town hall in Sultan sa Barongis Town in Maguindanao late Wednesday, the military said here.

Another attack by MILF men was reported yesterday in Barangay [village] Takanalipao in Maganoy Town.

Fierce fighting between the rebels and Army soldiers stationed at the old Sultan sa Barongis municipal hall continued early yesterday, forcing some 20,000 people living in the town proper to flee.

Hundreds of families more left villages surrounding an oil drilling project of the state-owned Philippine National Oil Co. (PNOC) in Tukanakudan, Sultan Sa Barongis, local officials said.

The incident followed a military pullout in Matanog Town following a tense standoff near an MILF camp. Defense Secretary Renato de Villa ordered the withdrawal following appeals by local government officials.

Residents said military shelling started at 3 p.m. Wednesday after soldiers and MILF forces clashed near the old municipal hall of Sultan sa Barongis.

The military said three rebels were killed at a river bank, but residents reported only one rebel casualty.

Maj. Ruperto Ambil Jr., spokesman of the 6th Infantry Division said another group of MILF guerrillas under Musanip Abdullah, alias Kumander Adan, engaged Army soldiers south of the town proper.

Through a messenger, Abdullah told the INQUIRER that artillery fire and helicopter gunships pounded a civilian sanctuary near Barangay Baital, claiming at least two casualties.

A ranking rebel leader said Adan's men started the gunfight by shooting Army soldiers stationed at the old municipal hall and driving them to the Dansalan River "where some of them could have drowned."

He said the attack was not approved by top MILF leadership.

Political tension rose in Sultan sa Barongis when a cousin of Adan ran and lost to the incumbent mayor, Abdulkarim Utto.

Local officials said Adan mistook for Utto's security members of the Army Engineering Brigade who were stationed there to build roads for the PNOC project.

Sporadic battles have erupted between the soldiers and rebels as Adan sought the MILF hierarchy's support to oppose the PNOC project.

Villagers have expressed apprehension that the situation might blow up similar to last year's confrontation between the military and the MILF in an irrigation project in Carmen, North Cotabato.

In Matanog, MILF leaders yesterday welcomed government initiatives to defuse tension "towards finding a peaceful solution to the problem."

Al Haj Murad, MILF central committee vice chair and chief of staff of the Bangsamoro Armed Forces, said in a radio interview that he was grateful to the local officials for their concern in resolving the military standoff.

Some 14,000 heavily armed guerrillas have been posted to thwart any military assault on their camp in Barangay Bombaran in Barira, a neighboring town of Matanog.

Military Alert for Terrorist Attacks in Mindanao

BK2509112095 Manila THE MANILA CHRONICLE in English 22 Sep 95 p 8

[Report by Edith Alejandro]

[FBIS Transcribed Text] Military forces in the South are on alert in the wake of reports of a possible attack from joint forces of terrorist groups, Defense Secretary Renato De Villa disclosed yesterday.

In an interview, De Villa said that although reports of an impending attack remain unconfirmed, government troops in Mindanao, particularly Dipolog, General Santos City, Basilan, and Davao, were ordered to step up security measures.

"It remains a fact that the Abu Sayyaf men are ready to pull off atrocities, but the Armed Forces of the Philippines (AFP) has not let down on its operation against rebel groups," the defense secretary said.

He said the military is not taking for granted unconfirmed reports of attacks, adding that every report or rumor of attack is verified and all precautions taken while the reports are being verified.

Earlier, an official of the Philippine Army said that while the Abu Sayyaf has maintained a low profile lately, reports show that the terrorist group was closely monitoring military activities.

"Tuma-timing lang sila [They are just waiting for the right time]. But all cities here in Mindanao are under threat and the military is stepping up protective measures to safeguard the safety of local residents," the official said.

Reports also said that the Abu Sayyaf has joined forces with the Moro National Liberation Front (MNLF) in preparation for a "Black September Attack" on another city in the South.

Editorial Views Ramos Ambition To Stay in Power

BK2509103295 Manila PHILIPPINE DAILY INQUIRER in English 21 Sep 95 p 8

[Editorial: "Authoritarian Leanings"]

[FBIS Transcribed Text] The recent events in the Senate are considered by many to have revealed the ambition of Mr. Ramos to stay in power beyond 1998. Before the break-up of the Lakas-Laban [Power of the Nation-People's Power] coalition in the Senate, with the ouster of Sen. [Senator] Edgardo Angara from the chamber's presidency, the public gave the president the benefit of a doubt. But not anymore. For many it seems the only question is whether he will pursue his ambition through a democratic way or by using the same methods as Marcos. Mr. Ramos is familiar with both.

The first method is more tedious and requires patience as it involves negotiating and winning political support for his designs. He does not seem to have the inclination for time-consuming compromise and negotiations. The other method probably suits his temperament better.

Already, Mr. Ramos has shown a strong preference for emergency measures to solve acute problems. He has sought — and he has been given by a compliant Congress — emergency powers to solve the power crisis and the water crisis. Now he is seeking similar powers to streamline the bureaucracy purportedly to align it with the push toward NIC [newly industrialized country]-hood, although he has yet to exhaust the normal powers of the presidency to achieve the task.

The question of whether or not the administration will push for a constitutional change to allow Mr. Ramos to succeed himself has not been laid to rest

by his categorical statement that he will step down in 1998. There are political forces pushing for the change, and most of them are in the president's camp. Such maneuvers do not give credibility to his disavowal.

There is a compelling reason for Mr. Ramos to try to succeed himself. Together with personal ambition, he is driven by the desire to give continuity to his economic policies. The rationale is that all the gains — albeit modest — his government has achieved during the past three years would come to naught if he were to be succeeded by someone who does not share his vision.

Whether the president will follow the model used by Marcos by creating a crisis and declaring a national emergency will probably be determined by his reading of its acceptability. The crisis environment that favored the dismantling of democracy in 1972 does not exist today. The nation is not in ferment. Neither is it deeply divided socially. These conditions cannot be reinvented. Reinventing the crisis could ensure failure and strong opposition to a martial law order.

The president will surely continue to test the waters, but he will find that conditions do not favor the reimposition of an authoritarian regime. As an instrument for change and economic development, the Marcos dictatorship was an utter failure. That lesson is still fresh in the minds of Filipinos.

Thailand

Prime Minister Gives Directive to Drug Panel

BK2309101595 Bangkok THE NATION in English 23 Sep 95 pp A 1, 2

[Unattributed report]

[FBIS Transcribed Text] The government-appointed commission of inquiry into drug allegations against Thai politicians met for the first time yesterday, with Prime Minister Banhan Sinlapa-acha making a brief appearance to give the panel policy directions.

The commission, officially termed a "public hearing committee", agreed yesterday to work only on cases in which requests are made by those who feel they have been treated unfairly by United States drug-related allegations.

It decided to set up a six- to seven-member sub-committee, chaired by former supreme court president Banyat Suchiwa, to draft the panel's working procedures.

Pricha Champarat, the newly-promoted secretary general of the Office of Narcotics Control Board, was appointed secretary of the sub-committee.

The meeting also appointed Prasit Khowilaikun, Banhan's legal adviser, as the commission spokesman and agreed to hold its next gathering on Oct 20.

Prasit said the sub-committee would work out the panel's working procedures, investigation methods and information gathering process.

Two of the 12 commission members — National Security Council Chief General Charan Kunlawanit and Lt Gen [Lieutenant General] Somchai Milintharangkun of the Police Department's Narcotics Suppression Bureau — were absent from the gathering as they were on overseas assignments.

Banhan yesterday denied that some commission members "felt uneasy" and wanted to quit the panel. From his communications with commission members, they were ready to work, he added.

Banyat had earlier threatened to quit if he found out that the commission was to work for the benefit of certain politicians and not that of the nation.

During his 30-minute appearance at the meeting, Banhan, the Chat Thai Party leader, assured the commission of its "full independence" and pledged there would be no "interference" from his office.

The premier said he had been invited by commission chairman Thanat Khoman to attend the meeting "to give the policy" to panel members.

He said the government stood "ready to assist (the commission) in coordinating with any government agencies" and that he was "willing to provide the fullest facilitation".

"But the work has to be based on righteousness, truth and an attempt to gather as much information as possible." Banhan said he did not give any timeframe or deadline to the commission as its work is "a very complicated matter that needs time for careful study of all the aspects".

He told committee members that if they needed any assistance, they could contact him through PM's Secretary Det Bunlong.

Banhan said he did not know whom the panel would investigate and that Thanat had told him that US charge d'affaires Ralph Boyce "is ready to cooperate if (the commission) needs information".

"The commission members also pledged not to work under the influence of any parties concerned, but to pursue their duties straightforwardly, fairly and transparently," he added.

Thanat, a former foreign minister and Democrat Party leader, said the panel would find out the truth, and

anyone found to have engaged in illegal drug-related activities would be prosecuted.

"We want the public to know the truth, and from now on Thai-US relations will improve. There will be no more (drug) allegations," he added.

He urged anyone who had been accused of narcotics violations to submit a written request to the commission before Oct 20 so it could raise the matter during the second meeting.

Commission spokesman Prasit said the panel had scheduled the next meeting for next month to provide sufficient time for those who want to request the commission to work on their cases.

Probe To Protect Thais From 'Unfounded' Charges
BK2309100895 Bangkok BANGKOK POST
in English 23 Sep 95 p 1

[Unattributed report]

[FBIS Transcribed Text] The public hearings committee is not designed to clear anyone's name but to protect Thai people from unfounded accusations, its spokesman said yesterday.

The duty of the government appointed committee is to enquire into complaints from Thais who consider themselves victims of groundless foreign accusations which also tarnish the national image, said Prasit Khowilaikun.

The committee has been dismissed in some quarters as a means to clear Chat Thai deputy leader Wathana Atsawahem and adviser Narong Wongwan of United States' drug trafficking allegations.

Mr Prasit said the committee resolved at its first meeting yesterday to act only on receiving a request from a complainant.

A sub-committee, chaired by Pricha Champarat, a committee member and deputy secretary-general of the Office of the Narcotics Control Board, was subsequently set up to take complaints.

Cases forwarded to the committee must not be the subject of current legal action by police or prosecutors, he said.

Mr Prasit said Prime Minister Banhan Sinlapa-acha, who attended the meeting at the request of chairman Thanat Khoman, pledged that it would be free of government interference.

He quoted Mr Thanat, 81, as telling its members the US charge d'affaires was ready to provide information

on request, apparently referring to the cases of Mr Watthana and Mr Narong.

But he said a reported meeting between Mr Thanat and the US official, Ralph Boyce, had not been discussed.

The Prime Minister denied having instructed the committee to investigate drug-trafficking allegations against particular politicians.

Former Supreme Court president Banyat Suchiwa, a member, said that despite its title, the panel will perform as an "enquiry committee".

His remark followed criticism that the committee is not intended to conduct public hearings.

Mr Banyat declined to comment on reports that judicial officials wanted him to quit.

He was yesterday assigned to head a sub-committee for drafting the committee's work regulation.

Mr Thanat, meanwhile, said people who want the committee to conduct an enquiry should submit requests before Oct 20.

Minister To Seek Information on U.S. Charges

*BK2509032995 Bangkok THE NATION in English
25 Sep 95 pp A1, A2*

[Unattributed report]

[FBIS Transcribed Text] Foreign Minister Kasemsamson Kasemsi said yesterday that on his current visit to the United States he will ask for information concerning drug allegations against certain Thai politicians.

Before leaving for New York to attend the UN General Assembly, Kasemsamson said the government's inquiry commission looking into the allegations had asked him to gain access to the information.

The foreign minister said he had been informed by the U.S. that it would not give such information to the commission but would pass it on to Kasemsamson if asked to do so.

"I believe the U.S. will give me the information," he said.

The government recently set up the commission to probe the U.S. drug allegations against Thai politicians. The 12-man commission is headed by former foreign minister Thanat Khoman.

The commission has been strongly criticized by opposition members, particularly the Democrats, who said its main purpose was to "whitewash" the allegations against Chat Thai members Narong Wongwan and Watthana Atsawahem so that they could be appointed to the Cabinet.

Chat Thai adviser Narong and party deputy leader Watthana were denied Cabinet seats because they had been accused by the U.S. of having links to drug traffickers.

After a meeting with U.S. charge d'affaires Ralph Boyce on Thursday, Thanat claimed that Boyce admitted that Washington had conspired with the Chuan government over the narcotics charges against Chat Thai members during a censure debate last year.

Although Thanat was quoted in several newspapers, the U.S. Information Service (USIS) in Bangkok denied such a claim.

Kroekkiat Phiphatseritham, rector of the University of the Thai Chamber of Commerce, said Thanat now lacked credibility after the denial by USIS.

"USIS has denied Thanat's comments. So, no matter how well the commission does, its findings could not be trusted, he said.

He said the commission was formed for political reasons not to solve the problems concerning Thai citizens in general, as claimed by the government. Kroekkiat said it was also difficult for members of the commission who were permanent government officials to withdraw from it.

However, he said those who were not active officials could resign.

Former supreme court president Banyat Suchiwa, a commission member, last week threatened to quit the panel if it attempted to act just in favour of certain politicians that had been accused by the U.S..

Deputy Democrat leader Trairong Suwankhiri said the panel was "useless" and would cause a rift between Thailand and the U.S., especially considering that Thanat's comments had been rejected by the USIS.

Democrat Spokesman Criticizes Probe Chief Remarks

*BK2309103195 Bangkok THE NATION in English
23 Sep 95 p A 3*

[Unattributed Report]

[FBIS Transcribed Text] Democrat Party spokesman Aphisit Wetchachiwa has accused Thanat Khoman of accepting the chairmanship of the drug inquiry committee in order to attack the Democrat Party and the former Chuan administration.

"All of what Thanat said is clearly groundless and inaccurate. This should be a sign of how reliable and neutral Thanat's commission is," Aphisit said yesterday.

The Democrat spokesman was responding to Thanat's recent statement that the Chuan government conspired with Washington to raise charges against top Chat Thai politicians during last year's censure showdown in Parliament.

Thanat made his allegation after a three-hour meeting with US charge d'affaires Ralph Boyce on Thursday.

Thanat is heading a 12-member inquiry committee set up by Prime Minister Banhan Sinlapa-acha to look into US allegations that Thai politicians had links with drug traffickers.

Aphisit pointed out that the foreign minister at the time of the US allegations against Chat Thai politician Watthana Atsawahem was Prasong Sunsiri, a member of the Phalang Tham Party, not the Democrat Party.

"It is unbelievable that a senior government member like Thanat could speak such lies," Aphisit said.

The United States alleged that politicians Narong Wongwan, Thanong Siriprichaphong and Watthana were linked to drug trafficking. Watthana and Narong were refused entry to the US.

"The US alerted Thai authorities (of the allegations) as the accused are politicians. The Foreign Ministry asked the US for clarification after being criticized for not adequately protecting Thai citizens and the country's image.

"All related incidents developed by themselves, not because of the Chuan government. No one is forced to apply for a visa," Aphisit said.

He also dismissed Thanat's statement that the Chuan administration conspired with the US to exploit the allegations for political advantage during the no-confidence debate.

"The issue took place long before the Parliament debate on the no-confidence motion. Therefore, it is not possible that the government aimed to exploit the accusation for (political gain)," he said.

Prasong claimed that Thanat has blown up the issue simply to attack the Democrat Party.

"As the foreign minister during that period, I can assure that the Chuan government never asked Washington to do what Thanat has claimed. It is impossible that the US or any other country would agree to another country's illegitimate demands," he said.

"A man with his full sanity would never say such things," he added.

Thanat yesterday said in a statement that his commission would never allow political bias to enter their de-

liberations, and that it hoped all authorities involved in Thailand and the US would give their full cooperation to the commission.

"The US and Thai authorities are expected to give us their full support so that the committee can achieve its assigned objective to reveal facts. The investigation will be fair and legal, and politics will not be allowed to interfere," the statement said.

Police Allegedly Keep 'Blacklist of Drug Suspects'

BK2409130995 Bangkok THE SUNDAY NATION
in English 24 Sep 95 p B6

[Article by Pricha Sa-atson: "Political Shadow Over Drug Link Probe"]

[FBIS Transcribed Text] The formation of a government commission to handle an inquiry into US drug allegations against Thai politicians has drawn both welcome reaction and criticism from parties concerned but what has stirred up even more sensation was the national police chief's revelation that politicians are among drug suspects in a police blacklist.

Pol Gen [Police General] Phot Bunyachinda, a member of the inquiry panel, has said the Police Department had a blacklist of drug suspects, ranging from politicians to people from other professions. However, he said he could not reveal the list because its contents were confidential.

"We cannot publicize the list because it is a state secret. I assure you the Police Department under my supervision will act in a straightforward manner. We will reveal what can be revealed," he pledged.

While Phot said there was no hard evidence to take action against the suspects, what if the commission failed to clear the names of those accused by the United States?

And is the claimed blacklist for real?

Anti-narcotics police sources confirmed that the list does exist. They said politicians were included on the list because they were implicated by arrested suspects.

However, the sources said such testimonies sometimes can not be used as evidence.

"To bring a politician to justice, you must arrest his full circle — poppy planters, traffickers and investors," one of the sources said. "You must also have substantial evidence against him."

"If police arrested anyone without hard evidence, they would find themselves in trouble. Many officers were

transferred to inactive posts because they stood in the way of narcotics dealers," another source commented.

A source said the Police Department's blacklist of drug suspects was the same one the US had because Thai narcotics officers had given it to their US counterparts.

The source claimed there were about 10 politicians on the list.

One of the politicians was blacklisted because his close relative was arrested while trying to smuggle heroin out of the country. Subsequent investigations confirmed the suspicions, the source said.

Another suspect was supposed to have smuggled drugs out of the country by sea because he had many fishing boats. While in office, former police chief Pratin Santipraphop once seized 60 kilograms of heroin from a fishing boat believed to be his. But fortunately for the suspect he was not using his boat at the time.

A politician from the Northeast, was included on the list after a large amount of marijuana was found in a container at the Bangkok Port. Police believed the marijuana belonged to the politician.

Another suspect was a northern politician who had become rich because of the drug trade. Investigators found that he was one of influential people who bought heroin from Burmese minorities.

The source claimed that this politician had a close relationship with opium warlord Khun Sa. However, police concluded that his illegal business was only a local one. Most of his clients were in Bangkok and the northern provinces.

According to the source, the suspect has links with two other northern politicians, one of whom was powerful because he had relatives who were senior police officers.

Three other suspects were influential figures in the areas linking the Central region and the South. The source said they controlled marijuana-growing areas on the Thai-Burmese border and hired Karens to bring marijuana into Thailand.

The government has claimed that its commission of inquiry into the US drug allegations against Thai politicians would seek "justice" for those accused and ultimately boost the country's image.

Cabinet members steadfastly denied that the commission's main purpose was to clear allegations against Chat Thai members Narong Wongwan and Watthana Atsawahem and thus eliminate one of the contentious issues plaguing the fractious Chat Thai-led government.

While Cabinet members said the commission was established in the interests of the country, opposition

lawmakers — in particular the Democrats — ridiculed the panel, chaired by former foreign minister Thanat Khoman.

"This panel was formed because of the internal problems in the Chat Thai Party...to investigate allegations against Narong and Watthana," Democrat leader Chuan Likphai said.

Chat Thai adviser Narong and party deputy leader Watthana were denied seats in the Banhan Sinlapa-acha Cabinet because of the US allegations against them.

Critics said the commission would fail in its objectives. They also wondered whether the commission's findings would be acceptable to the US because Thanat was perceived as biased against Washington.

Rector of the University of the Thai Chamber of Commerce, Kroekkiat Phiphatseritham, said the government could ask for information from Washington, but "I wonder if they would dare reveal the information given to them by the US".

Chaiwat Khamchu, head of the international relations department of Chulalongkon University's Faculty of Political Science, predicted the panel would fail to discern the facts in the drug allegations cases.

"It's wrong to name Thanat as the commission chairman because he is not neutral," he said.

Members of the 12-person commission include, Police Director-General Phot Bunyachinda; secretary general of the Office of the Narcotics Control Board, Pol Gen Chaowalit Yotmani; Chawalit's deputy, Pricha Cham-parat; chief of the Narcotics Suppression Bureau, Pol Lt Gen [Police Lieutenant General] Somchai Milin-trangkun; and secretary general of the National Security Council, Gen Charan Kunlawanit.

Drug Committee's Credibility Not Hurt by Report

*BK2409104595 Bangkok THE SUNDAY POST
in English 24 Sep 95 p 1*

[Unattributed report]

[FBIS Transcribed Text] The charge d'affaires at the US Embassy is shocked at the way in which a remark he made to Thanat Khoman has been distorted, a source close to the diplomat said yesterday.

Ralph Boyce's comment to Thanat was misrepresented as being a statement that the Chuan Likphai government had asked the US to reveal that certain Thai politicians were involved in drug-trafficking, the source said.

The source, a senior official at the embassy, said Boyce was "shocked and could not believe that Thanat would make such a statement, which is totally unfounded".

Boyce read the story in a newspaper, and was concerned that it would cause confusion and mislead the public, the source said.

Thanat, a former Democrat leader, was appointed by the Government to head the public hearings committee looking into the allegations against Narong Wongwan and Watthana Atsawahem.

The secretary-general of the Democrat Party, Sanan Khachonprasat, yesterday reiterated that when it was in government the party did not ask for any information from the US over drug allegations against the politicians.

Sanan also said that the Democrats had nothing to do with the American Embassy's statement denying Thanat's story.

He said it was the politics of the Chat Thai Party which had prevented the two politicians from being named ministers in the Banhan government.

And he said the rifts between coalition members in the Banhan government could widen.

Deputy Prime Minister Thaksin Chinnawat said he did not think Thanat intended to create conflict, but to clear things up. The Foreign Ministry should ask the US to come up with evidence.

Thanat, who did not wish to be involved in politics, was not playing a political game in quoting Boyce, Thaksin said.

The US denial had not affected the public hearings committee's credibility.

Thanat had a lot of credibility, having been leader of a political party, he said.

However, if the issue continued to be argued over, it might be perceived as a political game.

How much the committee could find out about the allegations depended on "the art of negotiation", to win cooperation.

Whatever information it found would have to be made public, and the decision about what to do with that information rested with the justice system.

"We have to ask for clear information from the US because it made allegations about two of our senior politicians. People who make allegations must prove them," Thaksin said.

Democrat MP Samphan Thongsamak said Thanat's allegation was a reflection of the quality of the man that the Prime Minister had appointed to head the committee.

"Thanat has been saying all sorts of directionless things. A man who has once been deputy prime minister should say things that are credible.

"What he did caused a loss of face not only for himself but for the whole Government," said Samphan.

Democrat executive Trairong Suwannakhiri attacked Thanat as a man who had served under "dictatorships" (the Sarit Thanarat and Thanom Kittikhachon military junta) and lacked faith in democracy.

Trairong said the only reason he became leader of the Democrats was because of conflict within the party: he got the job by default.

"As such, I don't consider that Thanat has done anything for the party," he said.

Thanat earlier said that the Democrat Party had forgotten what he did for it in agreeing to lead it at a time when it was at a low ebb in terms of popular support.

Asked if he thought Thanat's comments about Boyce had caused his (Thanat's) credibility to suffer, Trairong replied that Thanat's credibility suffered the moment he accepted the invitation to head the public hearings committee.

He pitied the senior civil servants on the panel because they were not able to say no to the Prime Minister's order that they join it, he said.

Vietnam

EC Vice President Visits, Discusses Relations

Meets With Foreign Minister

BK2109154595 Hanoi VNA in English
1512 GMT 21 Sep 95

[FBIS Transcribed Text] Hanoi VNA Sept. 21—Vice President of the European Commission (EC) Manuel Marin and his entourage this morning paid a floral tribute to President Ho Chi Minh at his mausoleum, called at his home and office.

Yesterday, Vice President M. Marin and his party were received by Foreign Minister Nguyen Manh Cam. The two sides exchanged view on [word indistinct] to strengthen the relations between Vietnam and the EC and between the EC and ASEAN, the regional and international issues of common concern.

While receiving the EC vice president, Minister Cam welcomed his Vietnam visit which followed the signing of an agreement between the two sides. He expressed his satisfaction at the new step of development of the Vietnam-EC cooperative and friendly relations and

highly valued EC's new strategy to the Asian-Pacific region. He stressed that Vietnam has always attached importance to the relations with the EC and wished that EC would do its best to contribute to the cause of peace, cooperation, development in southeast asia.

For his part, Vice President M. Marin welcomed Vietnam's open-door foreign policy as well as its recent big achievements. He also highly valued Vietnam's role in the region, saying it is an important factor to the peace, stability and cooperation in Southeast Asia. He affirmed that EC would constantly develop its bilateral ties with Vietnam for mutual interest, and for peace, cooperation and development in the region and the world as a whole.

Meets With Prime Minister

BK2209105995 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 20 Sep 95

[FBIS Translated Text] Prime Minister Vo Van Kiet received European Commission Vice Chairman Manuel Marin at the Government Office this afternoon. He warmly welcomed the vice chairman, the highest EC official has ever to visit Vietnam since the establishment of SRV-EC ties. He held that the recent meeting between Deputy Prime Minister Phan Van Khai and Vice Chairman Manuel Marin in Hanoi was an excellent opportunity for Vietnam and the EU to exchange information on the directions and concrete measures to strengthen and broaden ties and implement recently-signed cooperation agreements.

Prime Minister Vo Van Kiet highly valued the support of the EU and member-countries given to the Vietnamese Government and people in our socioeconomic construction and development. He hoped that these ties will be strengthened and developed with every passing day for the benefit of both sides.

Vice Chairman Marin expressed his joy at the visit and the friendly and important meeting he had with Prime Minister Vo Van Kiet. He said he has valued highly the industriousness and creativity of the Vietnamese people for many years. He added Vietnam has correctly carried out its open-door policy to integrate itself with the world and regional communities. At present, Vietnam is strengthening its cooperation with the EU, thus proving its high status in the international community.

After briefing Prime Minister Vo Van Kiet on the results of his visit, His Excellency Marin expressed the hope that the two sides will quickly set up a joint committee to study and accelerate the efficient cooperation between Vietnam and the EU.

Concludes Visit; Departs

BK2209155495 Hanoi VNA in English 1518 GMT 22 Sep 95

[FBIS Transcribed Text] Hanoi VNA Sept.22 — European Commission Vice President Manuel Marin and his entourage left here this morning ending a three-day official visit to Vietnam.

The delegation was seen off at the government's guest house by Deputy Prime Minister Phan Van Khai, Vice Chairman of the State Planning Committee Vo Hong Phuc and others.

Before his departure, Mr. Marin reiterated that the EU and Vietnam must conduct further discussions to expand bilateral cooperation. He also expressed his thanks to the government and other concerned bodies of Vietnam for their hospitality and his hope that the Vietnamese people would gain greater achievements in their socio-economic development.

Vo Van Kiet, WEF President Discuss Cooperation

BK1709093195 Hanoi VNA in English 0531 GMT 17 Sep 95

[FBIS Transcribed Text] Hanoi VNA Sept. 16—The World Economic Forum [WEF] wishes to continue its assistance to Vietnam, helping it make new and firm steps in economic development and integrate soon into the economic lives of the region and of the world, President of the WEF Klaus Swap was speaking to Prime Minister Vo Van Kiet here this afternoon.

During his meeting with the Vietnamese P.M., the WEF president, now on a visit to Vietnam, hailed Vietnam's recent achievements, particularly in economic development, and expansion of cooperative relations with Southeast Asian countries, the European Union, and the rest of the world. He also briefed the Vietnamese leader of the WEF delegation's activities in Vietnam.

For his part, P.M. Kiet expressed thanks to Mr. K. Swap's goodwill and appreciated the assistance of the president himself and of his organisation towards Vietnam over the past few years by having carried out various effective activities to help Vietnam restore and develop its economy. He also briefed his guest of Vietnam's socio-economic situation and achievements in its current renovation process. Mr. Kiet said that he believed that the Vietnam visit by the delegation would vigorously strengthen the cooperative ties between the WEF and Vietnam, thus helping Vietnam to quickly get out of its present difficulties so as to effectively carry out its industrialisation and modernisation process.

Hanoi Cites Spratly Remarks at AIPO Meeting

*BK2209155595 Hanoi VNA in English
1518 GMT 22 Sep 95*

[FBIS Transcribed Text] Hanoi VNA Sept. 22. — The 16th Annual General Assembly of the ASEAN Inter-Parliamentary Organization (AIPO) ended in Singapore this afternoon with the adoption of a joint statement of leaders of the member countries' parliaments.

The statement called upon all countries involved in the current disputes over the sovereignty of clusters of islands in the Eastern Sea to abide by the 1982 UN Convention on the Law of the Sea. It also appealed to these countries to restrain from the threat and use of force and settle their disputes through peaceful talks and build trust among regional countries.

It also called on all nations in Southeast Asia to work for closer friendship and cooperation aimed at making the region a zone of stability, friendship, cooperation and prosperity.

Vietnam National Assembly was admitted at this General Assembly as its sixth and newest full member.

AIPO Welcomes Full Membership in ASEAN

*BK1909134495 Hanoi Voice of Vietnam in English
1000 GMT 19 Sep 95*

[Station commentary]

[FBIS Transcribed Text] As we mentioned earlier, the 16th Assembly of the ASEAN Interparliamentary Organization is being held in Singapore. A Vietnamese National Assembly delegation led by Chairman Nong Duc Manh participated in the event. Here is our radio editor's opinion:

AIPO, or the ASEAN Interparliamentary Organization, was established after the coming into being of ASEAN in 1967. It plays an important role in promoting mutual relations and understanding between ASEAN leaders and peoples in regional countries. One month after Vietnam became a full ASEAN member, AIPO sent the letter inviting Vietnam to participate in the Interparliamentary Organization and inviting Chairman Nong Duc Manh to attend the 16th AIPO Assembly.

Speaker of the Singaporean Parliament who also heads AIPO, once again, appreciated Vietnam's presence at this forum. He pointed out that Vietnam's ASEAN membership opened the way for AIPO to invite the Vietnamese National Assembly to become a full member. He also said that Vietnam's participation in AIPO would become an important landmark in the history of the organization.

Singapore Acting Premier Lee Hsien Loong, in his opening speech, also affirmed that Vietnam joining ASEAN would further diversify ASEAN economic, political, cultural, language, and racial aspects. He expressed the belief that Vietnam would soon become a full member of AIPO. Vietnam participation in AIPO will diversify and enrich the organization. It will be a base for action, coordination, and mutual understanding between parliaments of ASEAN member countries.

Vietnam becoming an AIPO member will be a good basis to further development of ASEAN in the coming century to bring about a brighter future for people in Southeast Asia.

Delegation Leaves for PRC To Attend Meeting

*BK2209155795 Hanoi VNA in English
1518 GMT 22 Sep 95*

[FBIS Transcribed Text] Hanoi VNA Sept. 22 — A delegation of the Vietnam Pacific Economic Cooperation Committee (VNPECC) led by its chairman Doan Duy Thanh left Hanoi this morning for Beijing, China to attend the 11th session of the General Assembly of the Pacific Economic Cooperation Committee (PECC) scheduled to be held from September 26-29.

The VNPECC was formed in April last year and two months later it was recognized as an associate member of the PECC. The VNPECC is headed by Mr Doan Duy Thanh who is also chairman of the Vietnam Chamber of Commerce and Industry (VCCI).

The PECC which now has 22 members was set up in 1980 as a non-governmental organisation (ngo) at the initiative of Japan.

Party Officials Tour East Europe, Discuss Ties

*BK2309092295 Hanoi VNA in English
0618 GMT 23 Sep 95*

[FBIS Transcribed Text] Hanoi VNA Sept.22 — A delegation of the Vietnamese party officials led by Nguyen Van Son, deputy head of the external relations commission of the communist party of Vietnam central committee, has paid working visits to Romania, Bulgaria, Serbia (Yugoslavia) and Poland.

The visits were made at the invitation of the Romanian Socialist Labour Party (RSLP), the Bulgarian Social Party (BSP), the Serbian Socialist Party (SSP) and the Social Democracy Party of the Republic of Poland (SDPRP).

The Vietnamese party delegation was received by and had working sessions with Mr. I.Verdet, president of the RSLP, Mr. K.Premianov, deputy chairman of the

presidium of the BSP supreme council, Mr. B.Dovic, first deputy chairman of SSP, Mr. [name indistinct] general secretary of the SDPRP. The delegation also met and worked with senior officials of other parties, parliament and trade union organisations and toured a number of local and central economic establishments in those countries.

At these meetings, the two sides informed each other of the situation of their respective countries and parties and expressed their desire to continue developing the bilateral relations. Leaders of the said parties and organisations warmly welcomed the Vietnamese delegation's visits to their countries, considered them as important contributions to the strengthening of the bilateral ties between these countries' parties and the Communist Party of Vietnam. They highly appreciated the achievements recorded by the Vietnamese people in the renovation process and the correct leadership of the Communist Party of Vietnam and also affirmed their wish to further promote the friendly and cooperative relations with the communist party and the people of Vietnam.

Repatriation Agreement With Germany Takes Effect

BK2209105795 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 22 Sep 95

[FBIS Translated Text] Yesterday, the spokesperson of the Vietnamese Foreign Ministry held the regular news conference on the repatriation of Vietnamese from Germany. The spokesperson said that an agreement on accepting Vietnamese citizens without legal residence status in Germany signed on 21 July 1995 between Vietnam and Germany came into effect on 21 September 1995.

According to the agreement, Germany go through the necessary procedures before handing the repatriation list to Vietnam. Vietnamese authorities will clarify the nationalities of the people in the list and inform the German Government of the results. Germany will then organize the repatriation for those who have received approval and been granted entry permits by the Vietnamese Government.

The repatriation must be based on the principles of order, safety, respect for human dignity, and financial assistance. The returnees will not be prosecuted for illegally leaving Vietnam and will receive favorable terms for their reintegration.

Radio Reviews Energy Cooperation With Sweden

BK2309104595 Hanoi Voice of Vietnam Network in Vietnamese 0015 GMT 22 Sep 95

[Essay by Kim Lien in International Topic Program]

[FBIS Translated Excerpt] [Passage omitted on Swedish economic achievements and development of energy industry] While leading Swedish businessmen from the energy industry on a 17-22 September visit to Vietnam, Swedish Energy and Housing Minister Jorden Andersson said that the energy cooperation between Sweden and Vietnam has been implemented for many years with many efficient projects. The Swedish Government, together with the Swedish International Development Aid and other organizations, helped to restore and repair the Thu Duc Thermal Power Plant in 1984. The Thu Duc Power Plant was a main source of electrical supply before the building of the 500-kilovolt electricity national line. After that, the Swedish Government provided financial assistance to rebuild and upgrade the electrical supply system for Qui Nhon City, Ho Chi Minh City, and Ba Dinh precinct in Hanoi. The Swedish Government also helped upgrade the electricity control center in southern and northern Vietnam, in addition to financing many other electricity projects. The total financial aid from Sweden to Vietnam for 1995-96 is estimated at 200 million krona.

Beside donating equipment to improve the electricity supply in Vietnam, Sweden also trains management and technical cadres for better control of the electricity system. Recently, the AVB company of Sweden took part in bidding for the construction and providing equipment for the Hinh River hydroelectricity Project in southern Vietnam.

During Minister Andersson's visit, Vietnam and Sweden discussed the potential for long-term cooperation in various fields, such as the construction of Vietnamese electricity projects — including hydroelectricity and thermal projects run by coal, natural gas, or diesel — by Swedish hydroelectricity construction companies; supply of equipment for upgrading Vietnamese electricity system; training cadres for the Vietnamese energy sector; and an exchange of advanced techniques on control and management of electricity system. The two sides also discussed the possibility of Sweden directly investing in Vietnamese electricity projects.

It is possible to say that the cooperation between Vietnam and Sweden, in general, and in energy sector, in particular, has a very bright future, as Energy and Housing Minister Jorden Andersson said to the Vietnamese press:

[Begin Andersson recording in English fading into Vietnamese translation] Vietnam and Sweden are located very far from each other but we have enjoyed fine relations for 25 years. The two countries have cooperated in many areas. I hope that during my visit, the energy cooperation between the two countries will be accelerated to a new height. We know that recently, Vietnam has recorded an annual economic development rate of nine percent. The Vietnamese people are very industrious. You need more energy in the future. In cooperation, we hope that we can share our experience and technology with you. [end recording]

Joint Cooperation Council With Singapore Meets in Hanoi

BK1909061195 Hanoi VNA in English
1503 GMT 18 Sep 95

[FBIS Transcribed Text] Hanoi VNA September 18 -
The Vietnam-Singapore Cooperation Council began its

session in Hanoi today to seek means and ways to promote bilateral cooperation in the period to come.

Attending the meeting were on the Vietnamese side cabinet Minister Dau Ngoc Xuan, head of the State Committee for Cooperation and Investment (SCCI), Tran Dinh Khien, deputy head of the state planning committee, and Nguyen Manh Hung, Vietnamese ambassador to Singapore.

Also today, Minister Dau Ngoc Xuan discussed with Singaporean Trade and Industry Minister Goh Chee about economic relations between the two countries.

Australia**Court Rejection of Nuclear Case 'Not Surprising'**

*BK2309092895 Melbourne Radio Australia
in English 0500 GMT 23 Sep 95*

[FBIS Transcribed Text] Australia's foreign minister, Gareth Evans, says the World Court's rejection of the New Zealand's complaint over the resumption of French nuclear testing was expected but should be no comfort to France. He says the ruling by the International Court of Justice [ICJ] in the Hague was not surprising as Australia had always anticipated long odds for success. But Senator Evans said it should offer are no comfort to France because clearly it was not based on substantiated ground. The court turned down New Zealand's request to reopen its 1973 case against French testing because it said that case specifically referred to atmospheric testing. France has welcomed the ruling as a victory for good sense.

The Australian Ambassador to the Hague Michael Tate says despite the disappointment the exercise has been worthwhile.

[Begin Tate recording] We wanted to come to this World Court in order to use the forum to try to bring France to a cessation of the underground testing. We have been disappointed as New Zealand and the other Pacific island states, and we have not been permitted to put our full case. Nevertheless, it was a very worthwhile exercise and France had to appear. [end recording]

General Denies Disruption of Jakarta Ties

*BK2309124895 Melbourne Radio Australia
in English 1100 GMT 23 Sep 95*

[FBIS Transcribed Text] Australia's armed forces commander, General John Baker, has denied a report that he suggested certain parties were seeking to disrupt Australia's relations with Indonesia.

A spokesman for the Australian Defense Department, Brigadier Adrian D'Hage, said the report quoting Gen. Baker run by Indonesia's official new agency, ANTARA, was a complete fabrication. ANTARA attributed the remark to Gen. Baker after a meeting in Jakarta with his Indonesian counterpart, Gen. Feisal Tanjung. Brig. D'Hage said Gen. Baker was completely mystified about the source of the report and he had made no public statement nor spoke to any journalists after the meeting with Gen. Tanjung. Brig. D'Hage said a recent visit by Gen. Tanjung to Australia, when Indonesian forces were participating in military exercises, emphasized the strength of the relationship between Australia and Indonesia.

Trade Minister Ends Tour of PRC, Comments

*BK2409134095 Melbourne Radio Australia
in English 1100 GMT 24 Sep 95*

[FBIS Transcribed Text] Australia's trade minister, Bob McMullan, has wound up his trade tour of China with a visit to the country's northeast. During the stop, a leading provincial leader declared Australian business had ignored northeast China for too long. Senator McMullan says it made sense for Australia to concentrate on trade and investment links with southern China but he says it's definitely time for Australian businesses to also look to the northeast.

[Begin McMullan recording] It's logical that we did focus in the south both because it's a very big [word indistinct] region and, geographically, likely to be successful there because this area is so close to Korean's Pen [Peninsula], you can see, than many areas. So you have an advantage. I think he was right that we set a foot hold in the south but should in turn we look north. [end recording]

French Polynesia**EU Officials Arrive for Radioactivity Tests**

*LD2309094195 Melbourne Radio Australia
in English 0900 GMT 23 Sep 95*

[FBIS Transcribed Excerpt] Three experts from the European Union have arrived at Mururoa Atoll in French Polynesia to measure radioactivity levels in the area resulting from France's nuclear testing programme. The EU experts will have access to the radioactivity measuring devices at the Mururoa and Fangataufa test sites, as well as information supplied by the French authorities. The team, comprising two Belgians and a Briton, will release details of its findings on returning to Europe. [passage omitted]

Official Says France Plans Seven More Tests

*BK2409084995 Hong Kong AFP in English
1922 GMT 23 Sep 95*

[FBIS Transcribed Text] Papeete, Sept 23 (AFP) — French Polynesian leader Gaston Flosse said Saturday that France would carry out a total of seven, not eight, of a planned series of nuclear tests in the South Pacific.

"A second test will be carried out, and five others after that," said Flosse as he stepped off a plane from Paris. "The final decision has not been changed, but there will not be more than eight."

Flosse said he did not expect a replay of riots, triggered earlier this month by a general strike and the first test,

which was carried out at nearby Mururoa Atoll on September 5.

Rioters attacked and ransacked the airport and later burned and looted shops in the centre of Papeete.

"The forces of order are in place. Arrangements are being made to maintain order," said Flosse, adding that "the calming declarations of various people" would also help avoid riots.

Flosse is a member of the Rally for the Republic (RPR), the neo-Gaullist party founded by French President Jacques Chirac, and has consistently supported Chirac's justification for the tests.

Spokesman on Security Preparations

BK2509005595 Hong Kong AFP in English
0022 GMT 25 Sep 95

[FBIS Transcribed Text] Papeete, Sept 24 (AFP) — French legionnaires would patrol the streets of Papeete only in a worst-case scenario and at the request of the High Commissioner representing France, a military spokesman said Sunday.

Commander Jean Eric Winkler said security forces operated under four categories of alert:

— Category one — minimum risk requiring only the municipal police.

— Category two — the gendarmerie, or military police, are called in.

— Category three — legionnaires guard sensitive or military installations.

— Category four — legionnaires are called onto the streets by High Commissioner Paul Ronciere to maintain order.

Winkler, a spokesman for the military in Papeete, said the town already operated under "category two" with municipal police and gendarmerie, following violent riots that erupted here September 6 after a nuclear test.

Seven squadrons of 80 gendarmes, including those already based here and others airlifted in from New Caledonia and Paris, are on guard in Papeete, he said.

At Mururoa atoll, site of the first of a series of underground nuclear tests that began September 5, there is one regiment of 450 legionnaires and 300 general troops including navy and airforce.

The standard equipment for a legionnaire includes the French-made 5.56 millimeter Famas automatic, or machine-gun.

Two frigates and two small patrol boats also guard Mururoa while two platoons of 20 legionnaires were on nearby Fangataufa atoll, another nuclear test site.

If legionnaires descended on Papeete, they would operate under strict regulations, Winkler said.

"When the military involves in a civilian situation, the using of weapons is very strictly controlled — only in defence," he told AFP, adding that force was kept to a minimum to maintain order.

Civilians concerned about the threat of further violence sweeping this harbourside city after the next test, expected some time in the next week, have formed their own civil defence association.

But French Polynesian President Gaston Flosse said he was "totally opposed" to such a group, created by business people with the support of Papeete Mayor Michel Buillard.

"I call on those who thought this up to renounce it," he said on his arrival here Saturday from Paris, where he met with French President Jacques Chirac.

Police were scarcely visible on the streets of Papeete Sunday, when almost all shops and businesses were closed as usual.

The owners of one harbourside chemist shop said they had heard of the civilian defence association but decided against joining. The shop had escaped with only one broken window during the riots.

Military Bars Media

BK2309085095 Hong Kong AFP in English
0127 GMT 23 Sep 95

[FBIS Transcribed Text] Papeete, Sept 22 (AFP) — The French military said Friday that it would provide no press facilities for coverage of the second nuclear blast expected to be staged at its South Pacific test site next week.

A statement and photographs taken by the military would be released afterward, the military press service said.

The first test, staged on September 5 amid a massive protest campaign by anti-nuclear activists, was followed by a tour of the site and briefings for journalists.

Jacques Baumel, vice president of the parliamentary defense committee, told AFP in Paris Friday that the second blast "should take place in eight to 10 days, maybe less."

It should be "more powerful" than the first and is designed to test submarine launched nuclear warheads.

Baumel said it came within the agenda of carrying out "seven or eight tests before April," adding that worldwide anti-nuclear protests had changed nothing in the government's plans.

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